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**THE FOOD CRISIS AND  
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TO THE  
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## FOREWORD

*“When one aims at an error there be those who cry out, ‘He is trying to bring down truth.’”*

I realize that when one states facts that run counter to prejudices or preconceived notions, he is likely to be characterized as academic, inexperienced, impractical or visionary. Hence, not to interest the reader in my personality, but as “a reason for the faith that is in me,” I will indulge in a bit of apparent egotism.

I was born on a prairie farm, where as a manual laborer I worked for my father until twenty-one years of age. Later, after working my way for four years in one of the best Agricultural Universities, specializing in mathematics and agricultural chemistry, ill health compelled me to abandon all thought of literary or scientific pursuits. So for more than forty years I have been actively engaged in the farm mortgage business.

By accident, my first employer was the state agent for Illinois of the Equitable Loan & Trust Company of New London, Connecticut — the first company incorporated to do a farm mortgage business; at least the first to enter into active operation. That company failed, and it is a significant fact that practically all other companies incorporated for that purpose, prior to 1896, failed. Must there not be some inherent weakness in an industry, in which, after giving the

heart of its assets as security to voluntary creditors, those creditors fail?

The effects of the panic of 1873 upon agriculture were not seriously felt throughout the Central West until 1878 and 1879. During that period, it devolved upon me to take charge of the foreclosed lands belonging to my employers and their clients — see that they were rented, rents collected, taxes paid, and lands sold.

Again, between 1893 and 1896, nearly 95 per cent. of my competitors failed or went out of business, and at the urgent request of my clients I took charge of millions in mortgages which had been made by those now defunct concerns. A great many of these mortgages were, of course, foreclosed, and as a result, for nearly ten years, I had the control and management of from 100,000 to 150,000 acres of farm lands scattered through four of the best agricultural States. As these lands were owned by a very large number of individuals and corporations, a strict account was kept with each tract. None of these tracts paid current interest on its costs. Poor farming! So I thought until on investigation it transpired that the increased mortgage indebtedness on surrounding farms was greater than the shortage of my farming operations. This experience, coupled with my early labors on the farm, gave me, I think it will be admitted, an opportunity to study the farmer and his problems enjoyed by few during the last fifty years. The result was not in keeping with what I had hopefully anticipated. Pleasing fancies were dispelled by unpleasant facts — truth sometimes seems a cruel thing.

Agriculture is the basic industry of our nation. It

engages at least one-third of the population. It should receive more serious consideration than any other industry; both in and out of Congress it receives less. Every other civilized country has, during the last sixty years, bettered its agricultural conditions and enormously increased its yield per acre of cereals. We have not done so to any appreciable extent. For fourteen years prior to the beginning of this war, the average wheat yield per acre of France was approximately 36 per cent. above ours; that of Germany, 107 per cent. above; and that of England, 124 per cent. above. (See 1914 Year Book.) Had our 1917 wheat yield per acre been on a parity with those countries, we could have sent to the Allies an amount of wheat equal to our entire yield for that year, and have had a superabundance for home consumption. No national economic policy is sound, nor can it long endure, that fails to give due consideration to this, our great creative class, nor in whose counsels the farmer's voice is not heard.

For nearly three years the American people rejected all evidence as to the sinister and brutal motives of Kaiserism, accepting instead fairy tales, spun by the pacifists, to show that the brotherhood of man was established on earth, and that war could come no more. In blood and money we are paying the penalty of our unbelief. It is as dangerously unwise to reject a truth because it is disagreeable as to cherish an error because "beautiful, if true." People who do the one usually do the other.

Should the American people refuse to recognize in the trend of events certain economic, socialistic, if not

anarchistic, tendencies? These must be met. Delays are dangerous.

In this book, I have tried to give the results of my observation and experience. If errors have crept into the work, I regret it, and shall be glad to have my attention called to them. I have endeavored conservatively and accurately to tell the truth.

WILLIAM STULL.

Omaha, July, 1918.

**THE FOOD CRISIS AND  
AMERICANISM**



# THE FOOD CRISIS AND AMERICANISM

"Ill fares the land, to hastening ills a prey,  
Where wealth accumulates, and men decay;  
Princes and lords may flourish, or may fade;  
A breath can make them, as a breath has made;  
But a bold Peasantry, their Country's pride,  
When once destroy'd, can never be supplied."

## CHAPTER I

THE most serious and one of the most pressing questions of to-day is,—What is the matter with American agriculture, that it is breaking down at the most critical period in the nation's history?

After twenty-two years during which time not a single State has suffered a general crop failure, but in the main crops have been unusually abundant, why was it that before a battalion of our troops had reached the firing line, our Government was suggesting — and has since made compulsory — a restriction of wholesome food in our homes? Our country has an almost limitless area of fertile soil, with a topography in the highest degree adapted to the use of farm machinery. Climatic conditions are highly favorable to the production of all essential foods. Our farmers are the most intelligent the world has ever known. All this, coupled with the inventive genius of our people, should enable the American farmers to feed the world. Yet there

is no civilized country in which, during the ten years prior to the declaration of war, consumers have paid so much for their food, or where fertile fields have been to such an extent abandoned, neglected or illy tilled, and the farmers received so little for their products.

That evils exist is obvious; that whatever they may be, they should be speedily remedied, is imperative.

Labor and marketing conditions are responsible for the present deplorable situation. These have grown out of the two basic evils; the one, that we have Exalted idleness; the other that we, as a people, have become over-commercialized.

The first was largely due to an error or oversight in the development of our public school system, the evil consequences of which no one seemed to foresee; that is, when the high school supplanted the seminary, it took over the curriculum of the seminary.

The chief, if not the sole, purpose and function of the seminary was to prepare the pupil for college. The college was to prepare him for still another school — law, medicine, theology or literature; and one so educated, who failed to follow one of these professions, was usually looked upon as an ornamental, if not a useless, member of society. His training had led him not intentionally, but effectually, away from other useful vocations, and especially from manual labor.

With the private schools and colleges this was well. The academy served its purpose. It responded to the needs of a certain particular class which was willing to pay for it. It directly affected a trifling per-



centage of the American people, but nevertheless was an important factor in the evolution of the nation. On the contrary, the public schools are for all classes—the children of all sorts and conditions of men. The mingling of these children form one of the strongest ties that bind the American people together, but to attempt to educate all the American children along these academic lines,—that is, that each grade prepares a pupil for the next, and the next—one school for another—and each school for still another,—neglecting the “Ninety and nine” to serve the one,—is not only futile, but a menace to democracy. Yet, that seems to be the result, if not the purpose, of our public school system as it is now conducted.

That “man should eat his bread in the sweat of his brow” applies to a very large percentage of the human race, and I am not orthodox enough to believe that it was meant as a curse. Next to a good mother, I count my greatest earthly blessing that I was born on a farm, “stranger alike to poverty and wealth,” and with my hands labored there until I was twenty-one years of age.

As a large majority of all the children of the country must labor with their hands, it is a serious blunder to ignore this fact in their education, and a still more serious, if not a fatal, one to let their education be such as to lead them away from manual labor.

The public school being for all children, it should respond to the needs of the average child. It is upon the average citizen that the weal or woe of our country depends. Hence, at whatever point the child's school career be interrupted, whether at the end of the first,

second or last grade, he should to that extent be a better citizen and better prepared to solve the problems confronting the average youth. Under our present school system, he is not to any appreciable extent so prepared. On the contrary, as in the seminary, his training tends to lead him toward other things. The first effect of this education is that it engenders an indifference to, if not a contempt for, labor — or at least a feeling that manual labor is very disagreeable, if not degrading.

Legitimate commerce has in all of its complex ramifications but one function — the exchange of commodities between the producer and the consumer. Five per cent. of our population are sufficient to fulfill that function. Yet more than eighty-five per cent. of all high school graduates, and almost as large a proportion of the undergraduates, expect to find lucrative employment in it. Those parents, especially of the manual laboring class, making the greatest struggle, subjecting themselves to the greatest self-denial in efforts to educate their children, will give as the first reason, "We don't want our children to work as we have worked" — that is, to do manual labor. To the infant and to most adults, to do things with his own hands is the most fascinating of exercises, and if done accurately, with a definite purpose, among the most effective for mental discipline. To those who never expect to do manual labor it gives a quicker sympathy for and a clearer understanding of those who labor with their hands. Respect for labor makes for better and broader citizenship. In spite of all our boasts about giving dignity to American labor, we have been

doing the reverse ; in no other country does the laborer have so little pride in his calling, even among skilled workmen, as in our own. Had our schools and colleges done as much to exalt mechanical skill and efficiency as they have to develop football players, labor conditions and labor sentiment would be entirely different ; and the majority of those graduating from our schools and colleges would not shrink from, nor feel humiliated by, honest manual toil.

Our high school graduates, and a very large proportion of our college graduates, have been prepared for nothing but to continue school ; so that they find to their surprise that they are fitted for nothing in particular ; that there is no niche in every-day life that their education has prepared them to fill. Nothing is more discouraging and nothing leads to greater discontent and bitterness than for one to find that for which he has labored, and esteemed of highest value, worthless.

So everywhere we are turning out malcontents — young men and women, unprepared for anything but the most common manual labor, which they are ashamed to do. The false glamour thrown about great wealth makes their outlook dark. Observing men, without rendering any adequate service to society, accumulating colossal fortunes, they are overwhelmed with a feeling of dependence which ever engenders misanthropy. Hence, many of these become easy victims to the socialistic agitator, the demagogue and other enemies of society.

Our sister republics are all finding how to prepare the youth and immigrants for citizenship a perplexing

question. Gustave LeBon, one of the most profound of French thinkers, in discussing the French school system, among other things, says: "Nobody has ever maintained that well-directed instruction may not give very useful practical results." . . . "The acquisition of knowledge for which no use can be found is a sure method of driving a man to revolt." Continuing, he says: "In a recent work, a distinguished magistrate, Adolphe Guillot, made the observation that at present three thousand educated criminals are met with for every one thousand illiterate delinquents, and that in fifty years the criminal percentage of the population has passed from two hundred twenty-seven to five hundred fifty-two for every one hundred thousand inhabitants, an increase of 133 per cent. He also noted in common with his colleagues that criminality is particularly on the increase among young persons, for whom, as is known, gratuitous and obligatory schooling has — in France — replaced apprenticeship." He then cites similar experience in China, as well as education in India, under English rule. LeBon further says: "It is evidently too late to retrace our steps. Experience alone, that supreme educator of peoples, will be at pains to show us our mistake. It alone will be powerful enough to prove the necessity of replacing our odious text-books and our pitiable examinations by industrial instruction capable of inducing our young men to return to the fields, to the workshop, . . . which they avoid to-day at all costs."

If in France, with but one language, one nationality, all inheriting the same history, traditions, habits of thrift and industry, with no influx of foreigners, they

find the free school system a perplexing, if not a menacing, problem, what may we expect in our country, where one decade brings from all quarters of the globe an immigration equal in number to 10 per cent. of our own population, each group having its own language, traditions and habits? Citizenship can make only temporary advancement where labor is being degraded. While remuneration has something to do with the dignity of labor, it does not necessarily make it dignified. Labor itself must be intelligent and self-respecting, as well as honored and respected, if it makes permanent advance. The supreme purpose of our public schools should be the development of character. It is not the form of government, but the character of its people, which rules the destinies of a nation.

More than 95 per cent. of our immigrants are of the manual laboring classes. One of their first and most important steps in the direction of citizenship is the attitude they assume toward manual labor. If, like the original New Englanders and the early immigrants coming to this country, they look upon it as an honorable vocation, a stepping-stone to the best and highest things in life, their self-respect, respect for others, and respect for property rights will grow, and they will soon be assimilated and rapidly become an integral and valuable part of the American people. If, on the other hand, they, like a large percentage of the American youth, become imbued with the thought that manual labor is without honor, their self-respect will be lowered. One who daily does that which he thinks degrading, no odds how innocent the act, will in time



become degraded. Good citizenship, without a high degree of self-respect, is impossible. So these people may become an element of weakness and a menace to our free institutions, if not to our Government itself. How, if not through our public schools, can this mass, with small conception of our free institutions, become assimilated and Americanized? We cannot reasonably expect the average foreign-born adult ever to have an adequate conception of the genius and spirit of our free institutions. It is only in childhood that character may be molded and developed. What we make of the young immigrant, after he is here, is vastly more important than what he is when he comes. The most practical way to reach the fathers and mothers, ignorant of our language, is through the children.

No broad-minded citizen would abolish the public schools or minimize education, but thinking men must feel some solicitude as to the character of the education inculcated in these schools. Vicious education in Germany had drenched the world with blood. That malignant strength was waning and peace seemed near, when Russian ignorance, in its weakness, robbed us of a powerful ally. Should an unsatisfactory peace come, who shall say which of the two factors — mal-education of the German masses, or ignorance of the Russian peasantry — was the one that shifted the wavering scale of justice to the baleful side? Lacking either of these, the Central Powers must have failed ere this.

To the masses, and especially to our foreign born, liberty is a vague term, "meaning many things to

many minds," from license to its true import. Multitudes, especially of the foreign born, fail to realize that "liberty is the result of law, and not the absence of law." This misapprehension makes for discontent and unrest. How many of the grade pupils in the public schools and undergraduates of our colleges could give a clear, comprehensive definition of liberty? Few, when they first learn to lisp the decalogue, comprehend its meaning; but, implanted in the childish minds, the impression of these divine commands deepen and broaden with the mental growth, and thus unconsciously have become potent, if not dominant, factors in the making of moral character throughout civilization. Why, by methods analogous, should not our pupils in the public schools be early taught simple, concise and comprehensive definitions of liberty and other principles that make up the foundation of democracy?

## CHAPTER II

It may be asked, "What do all these things have to do with agriculture?" They have very much to do with it because, as a class, the farmers are equal in number to nearly all other manual laboring classes combined. Hence, withdrawal of these vast numbers from the ranks of labor or the lessening of their efficiency, falls more heavily upon farming interests, than on any if not on all others, combined. Not only because of number, but because of their isolation, anything suggesting that manual labor may not be highly honorable is among them more far-reaching in its evil effects. As the employers of most other labor are by tariff or monopoly protected from competition, they are able to add to the cost of production, not only the cost of labor, but a percentage of profit on that added cost. The farmer has no such redress. The prices of his commodities — except at present, as a war measure restricted — are fixed in the world's markets, while he is prohibited from buying in them; hence, he can in no way meet this competition. It has for years been utterly impossible to secure more than half the necessary farm labor at any price. Thus the evils of inefficiency and over-pay to other classes of labor fall more heavily upon the farmers than on any other class, especially as approximately 85 per cent. of all the farmer buys is labor in some form. The



value of mineral in the mine, lumber in the tree, etc., is almost an infinitesimal part of what he pays for the manufactured product.

When war was declared and the call to the colors came, the farmers' sons and the best class of farm laborers were among the first to respond to the call. The selective draft has taken many more. In addition to that, the high wages paid, not only in the shipyards and munition plants but in other factories, are daily drawing thousands of the most efficient laborers from the already scant numbers left upon the farms.

A very great majority of obtainable labor for the farms are inefficient — "down and outers" — from the city. They have neither experience nor interest in farm work, and intend to abandon it and return to town at the first opportunity — hence, are of the smallest possible value. Worst of all, many of them are imbued with the spirit of the "walking delegate" — that their services must not be made too valuable to their employers, and that hours and output must be restricted. To farm operations this sentiment is fatal. Exactly to fix hours of labor on the farm is not practicable, for the reason that because of rain, snow, cold and the resultant soil conditions, approximately one-third of the days of the year field work is impossible. Farm work must be done when it can be done. From the first sowing in the spring to the last storing of grain in the fall, delays are dangerous — often disastrous. For even one man to insist upon restricted hours at critical periods means disorganization of the whole force, and often entails enormous loss to the farmer. As shown by numerous bulletins, as well as

experience, it is found impossible to secure an equivalent to eight working hours throughout the year, not including Sundays. To receive pay and board for the hours actually worked only would be a decided disadvantage to the farm laborer, and few, if any, of them would enter into a contract on such a basis.

### CHAPTER III

To bring nearer home the farmers' competition for labor, I would say that in commenting on the decision rendered about the first of April, 1918, by Judge Altshuler of Chicago, as arbitrator between the packers and their employees, Mr. Murphy, manager of one of the two largest packing houses in the world, is quoted in the *Omaha Bee* of April 3, 1918, as saying among other things, "It means that on and after May 5, common labor employees, working ten hours a day, will receive an increase of 52 per cent. as compared with what they were getting previous to January 14, which was at the rate of 27½ cents per hour. Instead of receiving \$2.75 for 10 hours' work, they will receive \$4.20. Women employees will receive a 59 per cent. increase down to 37 per cent. to those who were getting 60 cents an hour for a 10-hour day. The latter will be paid \$8.33 for a 10-hour day." This means that by working ten hours a day during the entire year, Sundays excepted, a man and woman will earn \$3821.89, which, as I have shown elsewhere, is five times the gross receipts of the average eighty acres of land in Nebraska during the twenty-seven years ending December 31, 1917, and four times the gross income from the average eighty acres throughout the country during the eighteen years prior to the passage of the Adamson Law, as shown by reports of the Fed-

eral Department of Agriculture. These farm incomes make no allowance for interest on money invested in either land, buildings or equipment, which amount to an average of \$10,000 to \$15,000; nor an allowance for disease and accidents to live stock, nor taxes upon land. No one man and one woman can properly till eighty acres, even by working from twelve to sixteen hours per day.

Query: Why should these men and women leave the packing plants, and go to the farm to work longer hours for one-fourth of the pay? Answer: They will not.

Query: Why should not the able-bodied, intelligent young men and women leave the farm and go to the packing plants or elsewhere where shorter hours will insure 300 to 400 per cent. greater remuneration? Answer: They are going, and, because of vicious labor and marketing conditions, have been going for twenty years, and will continue to go until the handicaps are removed and better inducements are held out to keep them on the farm.

A preponderance of all manual laborers of this country are foreign born or of foreign parentage. A very small and constantly decreasing percentage of the original American stock is engaged in agriculture. As our immigrants have neither traditions nor sentiment binding them to the farm, they leave it with less reluctance than the American. For this reason, the exodus from the farms is rapidly increasing, and will continue to increase so long as existing labor and marketing conditions obtain.

Some tell us that it is the glint and glamour of the

city which take the boys and girls from the farm. Not so. Since our first parents were driven from the Garden of Eden, men have been driven, not lured, from country life. Remove artificial handicaps from agriculture, so that reasonable profits, modern conveniences and comforts are possible on the farms, and they will be filled with intelligent, industrious people, and our teeming millions fed better than ever before, and this at a price not prohibitive to the most common laborer.

Why should Congress be so solicitous concerning the wage of all other labor, so considerate of the profits of commercial interests, and ignore those of the farmer, practically assuming that, if he fails to accomplish the impossible, it will be because he lacks patriotism?

Had there been an adequate number of farm laborers available even when war was declared, or had it been possible to have left the meager supply then there undisturbed, the tremendous extra exertion now being made by men, women and children upon the farms would have gone a long way toward supplying the tremendously increased demand for food stuffs brought about by war conditions. But they are gone. Their places must be filled if this increased demand for food stuffs is met, and a food crisis averted. How shall this be done if not by such increase in price of farm products as will enable the farmer successfully to bid for labor in the open market? Two ways are pointed out. First: That organized labor, emulating the farmers' example, shall, during the war, abandon fixed hours of labor, or at least make ten hours instead of

eight hours the basic day's work. This would release one in five of their number, to be employed in agriculture, or to take the place of those less skilled, who would in turn be released for farm labor. Though far from adequate, this would help. With the unprecedented high wages now being paid them, this should not overtax or be a crucial test of their patriotism. No other class is doing so little.

The other avenue of relief is through Chinese labor. White labor is unavailable, as man power is already overtaxed in every civilized country on the globe. Agencies on the Pacific Coast have offered immediately to furnish, as fast as ships can bring them, a half million of Chinese laborers, to be followed, if necessary, by millions more. These laborers would at once be efficient aid in our sugar beet fields, vegetable and fruit growing sections, as well as in the dairy industries; and shortly would become effective and efficient help on the average farm. Arguments against the importation of Chinese labor in time of peace lose force and should not apply when it becomes a question as to whether or not our Allies and armies shall fail for lack of food, and the world's liberty be lost on one hand, or employment of these laborers on the other.

Those in high authority and in the best position to know are not predicting an early termination of this awful struggle, and if the present battle on the West Front fails to result in decisive victory in favor of the Allies, the war is likely to resolve itself into one of economic endurance, in which food stuffs are an all-important factor. The American farms are the last resort. If they fail, our cause is hopeless. Without



added man-power, the utmost efforts of those now on the farms will be inadequate. What is done, should be done quickly.

Both France and England are using Chinese labor on the farms with satisfactory and astonishing results. During more than ten years, it has been impossible to induce either the white or the black labor to do the farm work necessary to produce adequate, wholesome food for all our people; hence, other laborers are indispensable. The chief opposition to Chinese labor comes from "idlers" and organized labor. Because of its insistence on shortened hours, reduced output and a constantly increasing wage, and strikes in the presence of the enemy—"industrial treason"—it should be estopped from protest against getting others to do the absolutely necessary work which they have failed or refuse to do. That mothers and babes, as well as our men with the colors, should go hungry lest the wage scale be not further advanced, or that days of labor be increased toward a basis upon which farmers, as well as business men and salary earners, are now working, is unthinkable. To attempt to "conciliate labor" by leaving out the largest class, if not a majority, of all our manual laborers, is not making for industrial peace nor national prosperity. One Chinaman added to the present force on each farm would, at the end of the second year, add 25 per cent. to 40 per cent. to the present output, and soon increase this to 100 per cent.

## CHAPTER IV

As the Adamson Law was, at the same time, the greatest stride yet taken towards Socialism, and the hardest blow yet received by American agriculture, it may not be out of place to consider the remuneration received by the two classes of manual labor — organized labor in the industries, and unorganized labor on the farms — just prior to the enactment of that law.

While that bill was pending in Congress, the wage scale of the men to be directly affected thereby was published, and, so far as I know, never contradicted. This shows that the very lowest paid class to be affected, the passenger brakeman, received an annual wage of \$967. A careful analysis of the reports of the United States Department of Agriculture, taking the average yield and the average market price — both high — of the leading cereals during the preceding eighteen years — usually fruitful — shows that the gross income from the average eighty acres, all under cultivation, allowing nothing for waste land, was \$936.80 or \$30.20 less than the average wage of the passenger brakeman. Yet the law was enacted, enormously increasing this wage scale, which has recently been again increased by Federal sanction.

No man can properly till eighty acres of land. The position of the brakeman requires no previous preparation, no physical strength nor mental ability above



that of even the farm laborer. His employer must protect him against accidental injury. He has no capital invested. What reason has the young farmer for remaining on the farm, even if given to him, waiving interest on his investment — land, equipment and stock, amounting to \$10,000 to \$15,000 — taking all the hazard of accidental injury to self, accident and disease to stock, crop failure, etc., working twelve to fifteen hours a day, instead of taking position as brakeman, with no capital, where he can work eight hours a day and receive more money? If he is capable of managing a farm, he is capable of becoming a train conductor or locomotive engineer, the wage of the former being more than double, and that of the latter more than three times, than that of the gross income of his farm. The reason, if any, must be sentimental. As a result, since 1900 more than a million of the most intelligent, industrious and efficient men have left the farms of our country. Their places, or part of these, have been taken by hired men — mostly drifters from cities — and renters — chiefly those who have failed of success in other localities or other lines of endeavor — a vast majority of whom have no capital, no hope or ambition ever to own the land they till.

No other facts or factors have bred so much discontent and so discouraged the farmers as the constant yielding by our Government to the extravagant demands of organized labor. While the political press is approving all this and lauding the leaders of organized labor as patriots, it has neither compliment nor commendation for the farmer — apparently begrudg-

ing and minimizing possible profits to him, frequently calling him "Slacker," "Pro-German," "Alien enemy," etc.

Is it strange, under such labor conditions, such radical difference between the remuneration of organized labor of the factories, shipyards, etc., and the unorganized labor on the farms, coupled with authentic reports of the almost fabulous profits made by the packers and others who control the marketing of food stuffs, that farm abandonment is so general? That we needs must have "Meatless and Wheatless Days"? Now that the Government proposes to furnish every employee in our Civil Service, from the janitor up, with accident insurance, amounting to two-thirds of the annual wage, to be paid during the life of any dependent upon him, the farm laborers are practically the only class not thus protected. The farmer has no funds from which to pay this, and to meet the added cost, he cannot (as the manufacturer and other employers do) add to the price of his commodities. An accident to the tramp who happens to be cleaning his stables or shoveling his potatoes may result in bankruptcy. A radical reduction of the wage scale must be made or greatly increased prices paid for farm products, thus enabling the farmer to meet this competition, or the present exodus from the farms will continue with ultimately disastrous consequences.

It may be suggested that the farmer has a home and may raise a part of his food. In almost any town or suburb, a house, better than the average farm house, can be rented for \$12 to \$15 a month, together with garden space larger than that used for vegetables on

the average farm. Shortened hours of the town laborer give him vastly more time to care for garden, poultry, etc., than the average farmer can spare.

As a confirmation of my suggestion that the average yield and price of cereals, as given by the Department of Agriculture, was too liberal, I am in receipt of a bulletin, No. 160, just issued by the Agricultural Experiment Station of the University of Nebraska. This shows the average yield and market price of the three leading cereals in Nebraska during twenty-seven years ending December 31, 1917. These figures make the average annual income per acre of these three cereals \$9.80, making a gross income from eighty acres \$784, instead of \$936.80, as above stated. In neither of the above computations was the annual amount of seed required taken into consideration. In wheat and oats and other small grain this amounts to approximately 10 per cent. of the total yield. The apparently lower income from Nebraska acres is not because the soil, climatic conditions and husbandry are inferior to those of other States, but can be accounted for only because of a more careful and accurate method of securing data by the Nebraska authorities. The state authorities, having facts close at hand, rely more upon facts and less upon estimates, than the Federal Department of Agriculture.

In an agricultural country like ours, a republic worth while cannot long survive an impoverished peasantry. Recent events in Russia must remind every thinking man that it is quite as important that democracy may be made safe for the World, as that "The world be made safe for democracy."

The great body of manual laborers are not only loyal, but right-minded. But are they not being misguided by bad advisors, who are leading them backward toward primitive and obsolete methods, methods that may make for temporary success, but ultimate failure? "No political institution, no social institution, is sacred unless founded on some eternal truth, and all human institutions must change with the increasing knowledge of mankind."

## CHAPTER V

IN the latter half of the eighteenth century, collectivism and capitalism, as now understood, were brought forth, both born of the same parents,—the “Spinning Jenny” and the Steam Engine. The first view of these great benefactors of the race filled the laborers with alarm — fear that increased production would rob them of the means of livelihood — and drove them into a frenzy of hate, which took form in the destruction of labor-saving machines — these mute but mighty factors sent for their deliverance from bondage — a bondage worse than that of the colored slave, then on our own soil. So insane was their rage that they drove these machines out of many districts, and laws were enacted, making the destruction of such machines a penal offense punished by deportation. Other bills were before Parliament seeking to make the offense punishable by death. It was only after their blind fury was past that they were able to realize and accept this innovation as a blessing, that the first real step toward the emancipation of labor was taken. As soon as these conditions obtained, classes more fortunate and more powerful than they took up the cause of labor, and by intelligent coöperation with it, secured real, valuable and permanent reforms, raising them from slaves, in all but name, to free men. By undue restriction of hours, restriction of output and elimina-

tion of merit as a measure of remuneration, is labor not fighting the same phantom as when it destroyed labor-saving machines?

It may be noted in passing that many of the middle and higher classes shared with those unfortunate laborers this same blind fear of mechanical innovations, just as some educated and sentimental people at present join with the leaders of organized labor in the fear that over-production of life's comforts and necessities may be hurtful to those who labor.

The sentimentalists of that period rather hindered than helped reform.

Until all labor controversies shall be settled on fundamental principles of right—the greatest good to the greatest number, and the rights of all those who labor, regardless of class, be taken into consideration our country will be full of unrest. If civilization survives, manual labor must continue. Manual labor has been the characteristic of all civilizations, and its efficiency and skill a fair index to their worth. Savagery reduces manual labor to the minimum. Where soil and climatic conditions make only the smallest effort necessary to secure that which sustains life, we find the most degraded species of the human race. With them, hours of labor reach the irreducible minimum. The output is restricted to the individual's daily physical needs. The measure of merit is not applied; brute force takes its place. Every movement toward the reduction of man's necessities and comforts runs counter to civilization, arrests the development of the race, and is a menace to free institutions. Yet this spirit, fostered by those having smallest claims for our citi-



zenship, its percentage of foreign born and unnaturalized being the largest of any class, has been growing, until at the present moment, the Nation is confronted by conditions fraught with gravest dangers.

In a recent speech in the House of Commons, Chancellor Bonar Law is quoted as saying, "The extent of America's coöperation is not limited by transportation, but rather is limited only by the extent of her manpower. This is the one great fact of the war." There is a shortage of man-power throughout the civilized world, and while the great mass of the American people are giving up wealth, comfort, ease — yea, their own sons, that their blood may be offered as a sacrifice on the altar of liberty — at the dictates of organized labor Congress is considering the Anti-efficiency Amendment to the Naval Appropriation, the aim and purpose of which seems to be to prevent any possible stimulant being offered to increase efficiency on the part of the laborers in the employ of the Federal Government. It is alleged that although it has been demonstrated that one man and his helpers may drive over 4,800 rivets in a day, the arbitrary ruling of organized labor makes little more than 25 per cent. of this a day's work; and that extra bonuses must be paid for all work done over this restricted amount, and for all labor over eight hours in any day.

The press is everywhere justly clamoring for punishment, swift and severe, for the I. W. W.'s. Yet the utmost accomplished by their malignant work is insignificant as compared with what must follow as a result if such sentiment dominates labor in our war industries. For at this critical juncture in the na-

tion's history, each delay makes it possible for the Hun to multiply a thousandfold the destruction the I. W. W.'s can or have in the past wrought.

Enforced reduction of output, the refusal to do piece work, and an effort to eliminate merit, have been more fruitful of unnecessary and destructive labor controversies than the question of wage. If organized labor will abandon these vicious theories — theories that run counter to all established economic principles — labor controversies will be few; for, in my opinion, a great majority of the people of this country will agree with me in this proposition; viz.— that no wage scale can be so high as to be hurtful to humanity if that scale is based upon a measure of merit, and applies to all those who labor, even if only to those who labor with their hands. But when any class of labor attempts to take the burden from its own shoulders, and by shortening hours, restricting output, thus eliminating merit, throws this increased burden upon the shoulders of other labor, it is running counter to the spirit of American democracy and outrages every sense of even-handed justice.

Our civilization is built upon the Christian faith. The basic principle of Christianity is service — service to one's fellows — any departure from that basic principle is a step backward, and away from all that is highest and best in the civilization of to-day.



## CHAPTER VI

I HAVE no patience with those who assert that there is a natural or inherent antagonism between capital and labor. For more than a century after the landing of the *Mayflower*, capital and labor were, in New England, in more intimate contact and more mutually helpful than at any time in the history of the race. As a result of these two forces, New England developed, and did an hundredfold more for the uplift of humanity than any other community or nation of its size that ever existed. Honest labor and honestly acquired capital were never antagonistic. It was only when the criminal element in the ranks of both capital and labor acquired undue influence that labor troubles began. Because of these twin evils, American agriculture is well-nigh paralyzed, and our nation is facing a food crisis.

If patriotic motives and impulses in this hour of our greatest national peril will not induce organized labor to postpone the settlement of all these controversies until after the war — prospects of tranquillity and the hope for renewed advances in everything which makes for a higher civilization, after victory is won, are not alluring. At the very hour, when on the West Front, the gigantic forces of freedom and oppression are in a death struggle, the press announces that 35,000 factory operators in New England, largely engaged on

government war material, have struck and quit work for an increased wage. How can one reconcile this act at this moment with a high degree of patriotism for which the unions have been constantly given credit since the war began?

From the farmers' standpoint, the loyalty of organized labor has only reached the effervescent stage. There is no distillate of the true spirit of patriotism. Patriotism is the love of country. The universal measure of love, whether of country or of kin, is sacrifice. Working under the most favorable conditions, the shortest days, and for the highest wage ever paid to manual labor in the world's history, with frequent strikes, does not, in the opinion of the farmers, constitute sacrifice.

## CHAPTER VII

A COMMISSION was appointed by Hon. Herbert C. Hoover, United States Food Administrator, to investigate the cost of hog production and to report plans for stimulating that industry. On October 27, 1917, the commission made its final report, covering both its findings of facts and its recommendations.

After a most thorough investigation, covering nearly seventy years, this commission found that it required, under ordinary farm conditions, at least 12 bushels of No. 2 corn to produce 100 pounds of live hogs — that, to secure a fair profit, a farmer must receive for 100 pounds of live hogs a price equal to 13.3 bushels of No. 2 corn, based upon the average price of corn during the twelve months preceding sale; that to stimulate an increase of 15 per cent. of production, made necessary by war conditions, the price of 100 pounds of live hogs should be equal to the price of 14.3 bushels of No. 2 corn; recommending that prices should by the Food Administration be fixed accordingly. The findings of the commission were neither new nor surprising to the intelligent farmers or stock-feeders; the experience of most of these had been that 12 bushels of corn had not, as a rule, been quite enough to produce 100 pounds of live hogs.

However, this report should be of enormous value in convincing the consuming public that the high cost

of living is not because of any undue profits made by the farmers, since November 1, 1917, when J. P. Cotton, chief of the Meat Division of the Food Administration, assumed supervision, if not control, of the packing industry as shown by Table No. 1.

TABLE NO. 1  
PRICE OF CORN AND HOGS, OMAHA

Year	Price	Value	Price	Profit or loss		Corn
	No. 2 corn per bu.	12 bu. No. 2 corn	100 lbs. live hogs	12 to 1 basis	bu. per cwt.	
				Loss	Gain	equivalent bushels
1913 —						
(Entire year)	\$ .5925	\$ 7.11	\$ 8.06	\$	\$ .95	13.60
1917 —						
Nov. ....	2.084	25.00	17.33	7.67	...	8.33
Dec. ....	1.57	18.84	16.74	2.10	...	10.66
1918 —						
Jan. ....	1.85	22.20	16.125	6.07	...	8.71
Feb. ....	1.65	19.80	16.25	3.55	...	9.844
Mar. ....	1.62½	19.50	16.62	2.88	...	10.23
Apr. ....	1.60½	19.26	16.88	2.38	...	10.51
May ....	1.62	19.44	16.89	2.55	...	10.42
June ....	1.604	19.24	16.38	2.86	...	10.20
Average...	\$1.701	\$20.41	\$16.65	\$3.76	...	9.86

The reports of the United States Department of Agriculture show that on September 1, 1917, the month just preceding the commission's report, there were on the farms of our Country 8,038,000 less hogs than on September 1, 1915, and 5,427,000 less than on September 1, 1916. Adding to this shortage 15 per cent.—10,000,000 hogs extra—made necessary by war conditions, disclosed a deficiency of 15,000,000 to 18,000,000 of hogs for our needed supply.

Confronting these alarming conditions, what was done? Were the recommendations of that able commission followed? Not at all; but instead, the Chief of the Meat Division of the United States Food Administration, on receipt of it, issued a bulletin, saying among other things: "The prices, so far as we can affect them, will not go below a minimum of \$15.50 per cwt. for average packers' droves on the Chicago market, until further notice." . . . "As to hogs farrowed next spring, we will try to stabilize the price, so that the farmer can count on getting for each 100 pounds of hogs for market, thirteen times the average cost per bushel of the corn fed into the hog." Why, if a year hence farmers should receive an equivalent of 13 bushels of corn for each 100 pounds of hogs ready for market, should he be compelled to accept the equivalent of  $7\frac{1}{2}$  bushels of corn at the then present time? And especially, as at that time, he was beginning the harvest of the smallest crop of corn in food value in ten years, if ever?

The price of No. 2 corn on the Chicago market at that time — the month preceding and the month following — was a trifle over \$2 per bushel; the 12 bushels necessary to produce 100 pounds of live hogs, \$24, or \$9.50 more than the price suggested for live hogs.

How many manufacturers would continue to make any line of goods in which the raw material was worth 40 per cent. to 60 per cent. more than the finished product? None. They would be impelled, for self-preservation, to sell the raw material. Nevertheless, partly through patriotism, but chiefly because 40 per

cent. of their corn was too soft to be marketed in any other way, the farmers continued to feed hogs; so the evil effects were not immediately felt, but will be keenly felt when too late to apply a remedy.

If the Meat Division of the Food Administration had no authority to change the price at that time, by what authority did it expect to change it later? But, as the bulletin further recites: "We shall establish a rigid control of the packers"—it seems to be estopped from denying authority. The commission recommended that these prices should be announced as going into effect February 1, 1918, for the reason that by so doing it would encourage fall breeding and arrest the alarming slaughter of brood sows.

The result of the above was, as the commission feared, that farmers continued to rush pigs and brood sows to market. The records of the South Omaha Stock Yards show that more pigs were received during the month of November than during any previous November in the history of the yards. At the same time, the average weight of hogs received was 260 pounds—the heaviest average for any November in seven years. These two facts alone (without other evidence, of which there is an abundance) tend to prove that the brood animals were being slaughtered by thousands. Allowing for the light average weight of pigs, the other hogs received must have averaged approximately 300 pounds.

From Table No. 1 it will be seen that during the year 1913, prior to the original declaration of war, there was, on a cost basis of 12 bushels of corn to 100 pounds of live hogs, a profit of \$.95 to the



farmer. On the same basis, since November 1, 1917, there has been a constant loss averaging over 20 per cent. on all hogs sold. They brought that much less than the corn fed was worth on the market.

During thirty-one years prior to November 1, 1917, when Mr. J. P. Cotton, Head of the Meat Division of the Food Administration, assumed control of the packing industry, there was but one year in which the average price of live hogs in South Omaha was lower than the ratio of 10 to 1. During the eight months since he took control, as will be seen by Table No. 1, the monthly average price of 100 pounds of live hogs has been equivalent to only 9.86 bushels of corn.

In the circular above referred to, Mr. Cotton further says, "We have had, and shall have, advice of a board of practical hog growers and experts." . . . "That board has given its judgment that to bring the stock of hogs back to normal under present conditions, the ratio should be about 13 to 1." (The price of 100 pounds of live hogs equivalent to the current price of 13 bushels of No. 2 corn). . . . "We shall establish rigid control of the packers." Why, with this "rigid control of the packers," should the price ratio of live hogs go almost at once to, and remain at, a ratio of less than 10 to 1, instead of 13 to 1, as recommended by the commission of "practical hog growers and experts," and which commission has "given its judgment that to bring the stock of hogs back to normal under present conditions, the ratio should be about 13 to 1"? In short, why, during the past seven months were the farmers compelled to receive \$4.50 to \$5.50 per 100 pounds less for their hogs than the commission

had decided they should receive — less than the corn fed them was worth in the market?

What were the conditions confronting the country at date the report and circular referred to were issued? First: A corn crop that promised not to exceed 60 per cent. of normal in food value. Second: A hog supply at least 25 per cent. to 30 per cent. below evident needs. Third: A proposed augmentation of our fighting forces to one million or more, and an inevitable tremendously increased demand for food by our Allies. Fourth: A record of extortionate profits in the packing industry and other distributing agencies of food stuffs. In view of the above, the Department of Agriculture, and the Congressional Committees responsible for agricultural legislation, were not blameless in permitting such conditions to continue, especially when the food situation was so critical. This simply demonstrates what meager attention is paid to vital matters pertaining to agriculture.

So far as I know, the reports of every other commission created by Federal authority have been given the widest publicity, and have been seriously considered by a congressional committee, or similar high authority. Among all my acquaintances, I have not been able to find more than three or four who had seen a copy of the commission's report above referred to. In response to requests, both the offices of the Secretary of Agriculture and the Food Administration at Washington reported they had none. Why not? So far as I know, neither Congress nor any of its committees have seriously considered or acted upon this tremendously important report. Why not? It



concerns the largest and most basic of all our industries, and directly affects practically every farmer north of the Mason-Dixon line. Every one of the millions of consumers has a right to know whether the exorbitant price paid for meat goes to stimulate the industry, and thus by increasing production reduces the price; or if it goes to swell the already over-filled pockets of the profiteers, discouraging production and increasing prices. Would not the feeling of antipathy of the consumer, paying what he thinks extortionate prices for meat, toward the farmers be less if he knew that they have received no profit on hog feeding during the war — that is, the corn fed them was worth more than the hog brought?

As the circular sent out by the Head of the Meat Division of the Food Administration was dated November 3, 1917 — about six days later than the date of the commission's report, October 27, 1917, — what time was there for others than himself (and that very scant) seriously to consider that report; and who is the Head of the Meat Division of the Food Administration, and what his experience to qualify him so summarily to pass upon a report that required weeks, if not months, in its preparation — a report whose subject directly affects, either as a consumer or a producer, more than 98 per cent. of the American people? Would either organized capital, or organized labor, submit in silence to such treatment of a report made by a Federal Commission directly affecting its interests? Have they ever been put to the test?

“Porkless Days” should not have been discontinued. The enforced slaughter of brood animals and

pigs foreshadows a shortage of hog supply. A greatly increased demand by both our armies and our Allies during the coming year is sure.

The above, or anything I may say, is not intended as a criticism of Mr. Hoover, the able Head of the Food Administration, who has brought to that monumental task superb business ability, and the highest degree of patriotism; but instead, to challenge attention to the fact that both those in and out of Congress, who should have aided and coöperated with him, because of inefficiency, ignorance or indifference, failed to give him such support as would insure the highest degree of success in this all-important Department of our war activities.

As another example of this inefficient aid, I would say that in January, 1918, a letter was addressed to the Food Administration, saying that during the last years of the Civil War, sorghum, raised by themselves, constituted 90 per cent. of the sweets consumed by the farmers even as far north as Southern Wisconsin; not only did it supply them, but any surplus always found ready sale in the cities and towns; suggesting that the Food Department, in a circular, urge the farmers to resume this practice; with brief suggestions as to its planting, culture, care, etc.; to the end that the sugar situation, then critical, might be relieved. In response to this letter, one was received written by a subordinate in the office of the Food Administrator, saying among other things, that "the question of sorghum and molasses production had been frequently presented to our attention" . . . but that the Department "Have not felt justified in con-

stituting a National 'campaign' to stimulate its production, our reasons being that from reliable statistics, it is apparent at this time that the sugar supply for the United States will be practically normal for the coming year," etc.

Supposing the sugar supply should become normal, what of it? What harm if our farmers should begin this practice of thrift and economy, and produce their own sweets? I fail to see how such a situation could be harmful to any one unless it be to the sugar trust. Half the year is gone, and the sugar situation grows more critical.

In passing, I would say this "campaigning" the farmers is an idea that came into practice only after political and commercial interests had acquired undue influence, if not control, of the State Agricultural Schools, as well as the Department of Agriculture. Why should suggestions from callow youths and broken-down politicians have more influence with the farmers than the advice of Mr. Hoover, whom they all respect?

## CHAPTER VIII

ANY one familiar with the pork industry knows that the average hog seldom acquires a weight of 260 pounds before it is a year old, and also that it is quite as seldom that any, except brood animals, are allowed to attain that age on the farm. Every brood sow slaughtered during the ninety days following this report means a shortage of eight to ten marketable hogs during the next eighteen months.

In the past, every time the price of 100 pounds of live hogs approximated the value of 13.3 bushels of corn, this condition has been followed by a marked increase in both quantity and quality of hogs marketed. And every time it has gone appreciably below that, there has been a corresponding decline in both. During the year 1910, reasonable profits prevailed, the price of 100 pounds of live hogs approximating that of the average price of 13.3 bushels of No. 2 corn. The effect of this fair profit was reflected in the increased number of hogs marketed the following year — 1911. In five of the leading packing centers, this increase amounted to 4,516,000 head — 35 per cent.—or approximately a ten million increase for the entire country. During 1911, the price of hogs dropped below the 13.3 ratio, resulting in a reduction of 512,000 in the number of hogs received during 1912

at these same five packing centers, and this too in spite of a marked increase in price during 1912.

The influence of this ratio of price to cost may be traced in the markets of this country for at least seventy years. On the first day of January, 1861, the price of 100 pounds of live hogs was equivalent to the price of 17.7 bushels of corn. Among the first effects of the Civil War was the cutting off of our chief pork markets — the Southern States. This resulted first in throwing the price of hogs far below the proper ratio of 13.3 bushels of corn to 100 pounds of hogs. Then, as during the three months following November 1, 1917, pigs and brood animals were rushed to market, and the stock of hogs reduced on every farm. A meat famine ensued, and it was not long before 100 pounds of live hogs sold, not for the equivalent of 13.3 bushels of corn, but for the equivalent of the value of 26.6 bushels of corn, or equal to \$49.50 per hundred weight at present price of corn. Such a meat famine now would be disastrous to our armies and endanger our sacred cause. Like effects from similar causes might be noted in wheat and other food products.

Can we afford to take such tremendous hazards? Why should we not offer every possible stimulant for an increase of this indispensable food?

As in all other war necessities, the paramount question should not be what food may cost, but can and will it be produced in sufficient quantities? I approve every step taken toward conservation of food; but we can neither conserve, nor can our country commandeer, for our armies, grain from fields that are not

tilled, nor meat animals from empty pastures. Increased food production must be stimulated. Conservation alone can not attain the desired end.

To those who think a food crisis an impossibility, I would say that based upon the Government and other estimates there was early in 1918 a general belief that a vast amount of wheat remained in the farmers' hands, and a feeling that they should be compelled to disgorge. Protests were particularly vehement concerning the Nebraska farmers until in April, 1918, when an invoice was made of the Nebraska farmers' granaries. As a result, approximately 400,000 bushels of wheat were found. Quite a bit of wheat, but not quite enough to feed her civil population for three weeks — about one-quarter enough to re-seed her fields. With this condition in the second wheat producing State in the Union, where for twenty years wheat has of all cereals been the most profitable, what must be the condition in other States where this crop has been of little or no profit? An invoice of the corn cribs of the country would, in my opinion, result in a still greater surprise. Our armies and Allies cannot subsist on exaggerated estimates and rose-colored crop predictions.



## CHAPTER IX

AN analysis of beef production discloses similar conditions to those of pork, except perhaps in those areas in the West and Southwest, where cattle may be grazed the entire year on free range or very cheap land. Under such conditions, the labor element is reduced to the minimum, and the expense of housing and machinery is nominal. These areas should be devoted exclusively to the breeding and preparing of cattle for the feed yards—the cattle to be fattened on the farms in the corn growing section. This plan would have been followed, as a matter of course, had not the meat industry been monopolized, which eliminated profits in the feeding business.

The Food Administration should at once appoint a competent commission thoroughly to classify all cattle. To the end, first, that the farmer may know in just what class any animal he has belongs—hence, what price it should bring. At present, he can hardly make a rational guess.

In an investigation made, when the grading bill was before Congress, it was alleged that the elevators were buying millions of bushels of grain as of one grade, and shipping it out and selling the same on a much higher grade, thus deceiving and defrauding the farmers, and misleading and imposing upon the consumers. The packers seem to have been following

a similar plan in the meat industry. For a very few choice cattle, a high price is frequently paid. This is given the widest publicity, and in every shop it is given as the reason for the high price of beef to people who never tasted this high class of beef — the meats sold them generally coming from a class of cattle for which the farmers received little or no more than one-half the price quoted.

The consuming public, as well as the farmer, from daily market quotations, should know the number and percentage of each class of animals sold, and the price paid for same at the stock yards; that the one may know what his stock should bring, and the other what his meat should cost. These grades being established, the Government, during the war at least, should prohibit the slaughter of certain classes of immature and unfattened animals. The result of this would at first work apparent hardship. Consumers might, for a time, have to pay higher prices, but for a better class of meat; the farmer, obliged to sell non-slaughterable cattle, probably would find a poorer market. But these conditions would only be temporary. The stimulus given to the feeders would rapidly increase the amount of wholesome beef, and that in turn would stimulate the prices of young and undeveloped animals. The Administration being able to detect and eliminate vicious practices in the trade, our farmers would soon be producing an abundance of meat to be sold on the block at lower prices, still leaving them a fair profit, instead of sustaining heavy losses, as in recent years. From the standpoint of production, meat must always be an expensive food, as compared



with cereals. This is obvious, from the greater amount of work, cost of housing and risk of loss from disease and accident.

Our country cannot, however, afford to discourage meat as a diet, if we expect the American people to maintain their present virility. In every nation, where soil impoverishment has rendered meat production impossible, its people have become physically dwarfed, and their mentality sluggish,—as in India, China, etc.

## CHAPTER X

ATTEMPTED legislation for the alleged benefit of agriculture, or to assist the farmer, has been very little — the good results less — the “Betterment of Agriculture” almost invariably being made secondary and subservient to commercial or political interests. In most instances, these bills were not primarily for the “Betterment of Agriculture,” but only because of the influence the name “farmer” might have in securing the enactment of laws, was agriculture connected with them at all.

By the much lauded “Homestead Act,” Congress changed a national liability to a national asset. Most of the lands available under the Act were beyond the Missouri River, where vast sums were annually required to protect traffic and mail routes from the Indians. The homesteaders replaced the soldiers, and under revenue and tariff laws at once began to pay taxes. Incidentally the Homestead Law removed all competition from the Railroad Land Grant lands. The two bills were before Congress at the same time. If one doubts this inference, or thinks it far-fetched, he should read the Act of Congress amending the Homestead Act passed in 1879, just as the influx of homesteaders into this section began. This Act deprived the homesteader of his right to claim one hundred and sixty acres of land as provided by the orig-

inal Act, except to those lands outside of the twenty-mile strip — ten miles along each side of the railroad bed. If inside that strip, it was reduced to eighty acres. The Railroad Land Grant conveyed to the railroads only the alternate, or odd numbered, sections within ten miles of the right of way. The even numbered sections and all other agricultural lands were withdrawn from sale and retained by the Government for homesteads only. Hence, the Government had estopped itself from reaping any pecuniary benefits from the advance selling price of these lands. On no theory of the "Betterment of Agriculture" can this amendment be justified.

Then, as now, the intelligent farmer knew that, though he might exist upon eighty acres, he could never make a home suitable for an American citizen, and rear his family on less than one hundred and sixty acres. This is obvious, as these lands are fifteen to eighteen hundred miles from consuming centers or tide water, where the prices of farm products are fixed. Hence, only by producing large volumes to be sold on small margins of profit could he or his successors hope to acquire a competency or to maintain a home. The homesteader was thus driven beyond the ten-mile limit to exercise his right to one hundred and sixty acres of land. Except to benefit the Land Grant landowners, why should our Government have not only permitted, but encouraged, people to make these early settlements as compact and as near to railroads as possible, where the expense and trouble of marketing would be reduced to the minimum, and where schools and churches could be more readily

and inexpensively established and maintained? Few, if any, phases of pioneer life in the West were more pathetic than those brought about by this Act of 1879. Because of it, the early homesteader, when in need of medical aid, food, fuel, etc., or when he had produce to market, was forced to drive through rain, snow, heat and cold, twenty miles over a wilderness with no roads, save trails leading through canyons, along bluffs, across streams, frequently unbridged. If not for the purpose of enhancing the value and expediting the sale of the Land Grant lands, why was this law enacted? As to the value of these lands, this was measured by the price of land scrip, then a drug on the market, at from forty to sixty cents an acre — \$64 to \$96 per homestead.

On the other hand, labor (organized) for more than two decades, has been the most conspicuous subject before Congress. Most of this legislation has been detrimental to agriculture. It has increased the wage, raised the tariff, adding cost to every manufactured article purchased, whether domestic or imported. It prevented the farmers or farming community from offering any encouragement to the right sort of immigrant. Had our present Immigration Law been in force when the Railroad Land Grant lands were placed on the market, one-half of the transcontinental lines would not have been built, and Kansas, Nebraska, the Dakotas and Wyoming would have been largely a wilderness, still occupied by the buffalo and Indians. These railway companies placed before the best rural peoples of Europe what America had to offer to the industrious people of the world, no odds how poor,

holding out as an inducement to come, low passenger rates, free transportation of household goods, etc., etc. They came in thousands, and out of these immigrants have been built some of the most prosperous, loyal cities and farming communities of the West.

But for vicious changes in our immigration laws, the best States in the Corn Belt would not have been losing their rural population during the last two decades, nor the annual yield per acre of cereals on our comparatively new lands would not have been constantly growing less, while the fields,—soil-worn for a thousand years,—in France, Germany and other European countries, were increasing their yields, and our laboring masses would have been better fed and at lower prices.

## CHAPTER XI

PASSING many other legislative acts, we come to that of establishing the Federal Land Banks, the alleged purpose of which is also the "Betterment of Agriculture."

When the question of establishing a new national banking system was before Congress, the best bankers throughout the country were taken into the councils, as well as into the confidence, of our law-makers. Congressional committees seemed always glad to receive suggestions, called in bankers of experience, great and small, from all quarters of the country. The counsel of these practical business men of experience in that particular line did more to bring about a better banking system — one which seems to respond to every emergency — than any Congressional Committee, without such efficient aid, could have ever secured. When the system was established from among these bankers, and following their counsel, and in keeping with the consensus of opinion of all bankers, men were selected to organize, supervise and control it.

In the creation of the Federal Land Bank system, none of these steps were followed to any perceptible extent. I have never heard of a man of high standing, large and long experience in the farm mortgage business, who was called before the Congressional



Committee, or summoned to hearings held throughout the country ostensibly to gather information as to its desirability or method of operation. On the contrary, the men so called seemed to be selected from among those most likely to favor the scheme, usually job hunting politicians, land boomers, or impecunious farmers or renters, who desired greater credit for themselves. Nor, so far as I can learn, were the men chosen to organize and control these institutions selected from men of large experience and responsibility in the farm mortgage business. When the several Federal Land Banks were organized, they were not to coöperate, but to compete, with men and concerns already engaged in the legitimate farm mortgage business. The first bid for popularity was that they would loan more money on the same security than the established mortgage agencies and would loan to a class of people whose credit was not satisfactory to those established institutions. Who can conceive of the chaotic conditions of our national finances at this moment, had the new banking system been so organized, established and conducted, that it is not in coöperation, but in competition, with the established banks, holding out as an attractive feature that they would loan more money on the same basis of security than the old banks had found safe, and to a class of people who had not earned a credit with the older banks? But that is just what the Federal Land Banks did.

Before, during and ever since the farm mortgage boom of thirty years ago, the farm loans were based and restricted to one-third of the total value of the land and buildings. The Federal institutions prom-

ised to loan 50 per cent. of the value of the lands, and in addition 20 per cent. of the existing or proposed improvements. These promises as to liberal amounts have been generously kept.

During the farm mortgage boom of thirty to thirty-five years ago, able men with abundance of capital, high credit and years of business experience in other lines, organized farm loaning concerns, such as the Lombard Investment Company, the Equitable Trust Company, the Jarvis-Conkling Company, and a multitude of others. These had among their officers and directorates bankers and merchants of the highest business standing, and an abundance of capital and credit. Practically every one of these companies have failed or gone out of business — the few that survived were scarcely sufficient for “the exception which proves the rule.” These monumental failures were brought about chiefly, if not solely, because men in whose hands the management of these concerns fell were without experience in the farm mortgage business, and were ignorant of those fundamental facts and conditions upon which farmers’ credit should be based. This is proven by the fact that scores of individuals and corporations then in the farm mortgage business passed through the panic of 1893, the depression and the delirium of 1896, with practically no losses; and before the depression following that panic had entirely passed away, resumed the farm mortgage business, and have ever since continued with increasing vigor and success. Among these might be named Pearson & Taft, of Chicago; Burnham, Trevitt & Mattis, of Illinois; Anthony Brothers, of Peoria, Illinois; R. E.



Moore, of Lincoln, Nebraska; Iowa Loan & Trust Company, of Des Moines, Iowa; Mutual Benefit Life Insurance Company, of Newark, New Jersey; the Connecticut General; Connecticut Mutual; and Ætna Life Insurance Companies, of Hartford, Connecticut, and scores of other firms, individuals and corporations.

Of the ultimate of this government experiment in the farm mortgage business, I express no opinion. However, its present stage of development seems to have disclosed two facts. First: As an intermediary between borrower and lender, it is the most expensive that ever existed in this country. Second: That the public at large is not inclined to support it by the purchase of its bonds to the extent it was anticipated, so it seems to have become necessary for Congress to appropriate \$200,000,000 to be invested in these bonds during the next two years. As our Government was at that time borrowing money at from three and one-half to four per cent. interest, and this is now being loaned to the farmers at five and one-half per cent. interest, it is not difficult to figure out the cost of the governmental machinery in making the transfer of funds to borrower from lender. In addition to this tremendous margin between the rate received by the lender and that paid by the borrower — one and one-half per cent. to two per cent. per annum — in the beginning, the Government subscribed approximately \$9,000,000; that is, \$750,000 to the capital stock of each of the twelve Banks, upon which no interest is to be received; and also assumed the payment of certain salaries and other expenses. If our farmers were

really lacking in credit, which they were not, and it became necessary for our Government to extend such aid to them, why add to the farmers' burdens an unnecessary cost? In my opinion, and I speak advisedly, there is not a responsible firm doing an extensive and reputable farm loan business, but what would be more than willing, if the Government had funds for the purpose, to take this money and loan it to the farmers at four and one-half per cent. instead of five and one-half; make no charge either to the farmers or Government, but in lieu of all other remuneration for time and expenses, accept one-half of one per cent. per annum on the face of each loan, to be paid to him as the interest was collected. Thus the farmer would be saved one to one and one-half per cent. per annum on interest, and the Government could withdraw its \$9,000,000 capital, and incidentally cut off all expenses for salaries, office rent, stationery, advertising, etc.

This method would furnish a greater guarantee, and secure better loans than any yet devised. First, because none but firms solidly established in the business could afford to wait three to five years before receiving any profit — it would be that long before cash out of interest received would be equal to the accumulated expense of the business. In case the company (brokers) failed, the one-half of one per cent. on all the outstanding loans would cover the expense of care and collection of them. As to the safety of his loans, no broker without the utmost confidence in his security would do business on this basis, and with such loans, he would be extra conservative.

What does this one per cent. of extra and absolutely unnecessary rate mean?, It means that the farmers pay at least \$2,000,000 per annum additional interest. As the Land Bank loans mature in from five to twenty years — an average of about twelve and a half years — these borrowers during that time must pay \$25,000,000 for the privilege, or as a penalty, of having this business conducted by political appointees, instead of by responsible men with long years of experience in that particular line of business. One's head swims when he attempts to compute the amount of this unnecessary burden, when, as they anticipate, the Federal Land Banks shall have placed upon its books \$4,000,000,000 in farm mortgages. How much will this \$40,000,000 per annum and the millions to follow increase food production, or aid in the "Betterment of Agriculture"? But this is a fair sample of the so-called "Farm Legislation."

## CHAPTER XII

It may be suggested that the law as enacted provides for privately incorporated banks, but two of its provisions are fatal to the successful conducting of their business. First: The volume loaned must not exceed fifteen times the amount of the capital stock. That means that when this capital has been turned over fifteen times, which should not require to exceed three to four years, the bank must wait indefinitely without income — that is, face a suspension of profits, but continue the expense of caring for the business, collecting interest, seeing that taxes are paid, etc., for an indefinite period. The other is the guaranteeing of loans made. Large capitalization and guarantees have in the past invariably proven to be ropes of sand binding a camouflage to conceal doubtful securities. More than 98 per cent. of all losses sustained by investors in mortgages after the collapse of the farm mortgage boom of thirty to thirty-five years ago, were on guaranteed mortgages.

The losses on unguaranteed mortgages were almost infinitesimal. It is easy to see how this should be so. The honorable man of sanguine temperament will take greater hazard on an investment for which he himself becomes directly liable and believes himself responsible, than on an investment for another made upon honor. Another reason why the guaranteeing

of mortgages is unwise is that practically no defaults occur during normal times, when crops and prices are fair, and plenty of money available. The farmer, under such conditions, can always borrow money to pay his coupon. If not, he can usually find some one, as many do, from whom he can borrow sufficient to pay the existing mortgage and defaulted interest on same.

Such general defaults and foreclosure eras have been far removed from each other — twenty to thirty years. They are then precipitated as the result of overstrained credit, crop failure, low prices, or general financial depression, and come all at once. Before the climax is reached, the guarantors have exhausted their resources in cashing defaulted coupons, and are forced out of business — a most unfortunate thing for the investor, as the judicious care of loans at such a time is of vastly more value to him than the defaulted interest already advanced. Why exact a guarantee from men of responsibility and long experience in that particular line, and not from irresponsible and inexperienced political appointees?

Under the Farm Land Bank Act, each borrower is compelled to invest five per cent. of his borrowings in the Land Bank Stock, which carries a double liability. This could be retained by the Government on loans made through private agencies, instead of held by banks as now. The liability on this stock, however, will, if default be made, prove of little worth. No Congress would fail to give relief to these borrowers from an unwarranted liability imposed under semi-duress. There is nothing in precedent or busi-

ness prudence that justifies the guaranteeing of a farm mortgage. The investors who relied on it almost invariably lost; those who did not, seldom lost.

The Rural Credit System, so far as I am able to observe, has not increased the supply of food stuffs in the slightest degree. It will, however, if carried to its proposed objective, place an absolutely unnecessary fixed charge of \$40,000,000 to be paid every year by the farmer borrowers as long as their mortgages run; and at the same time place \$4,000,000,000 of presumably untaxable securities in the hands of profiteers, who should be paying taxes and buying Liberty Bonds. Apparently, in many localities, a very considerable proportion of these loans are made to take up and increase loans already resting upon the farms. The surplus is chiefly devoted to either absorb the accumulated shortage in farm operation, or for speculation. On the other hand, it has materially increased farm land speculation, has added a new impetus to the already overstimulated land boom, which will ultimately prove more disastrous than any previous one, for the reason that the worst effect of every boom is that it engenders a distaste for legitimate business,—more disastrous, not only because it includes a vastly larger class than was included in previous booms, but because it affects our basic and creative industry. Whenever farmers are either unable or unwilling to buy goods, all activities between the farm and the factory are checked, if not completely arrested, and depression, if not panic, follows.

It was the evident intent and purpose of the Law creating Federal Land Banks, that credit to be ex-



tended and money to be loaned was only to farmers—those actually cultivating the land mortgaged. This construction was logical, and the one put upon the law prior to a meeting of the presidents of the Federal Land Banks at St. Louis recently. Returning from that meeting, the president of the Omaha Federal Land Bank is quoted in the press as saying, among other things, “They have decided to place no limitation on the sale of farm lands; in other words, our borrowers have a right to sell when and where they please; the purchaser may run the farm or rent it or do anything he likes with the land.” . . . “It gives us a freer hand in making loans, and it takes off limitations that have frightened borrowers.” All of which are a tremendous advantage to the speculators, invites fraud,—“straw” borrowers, etc.—and indicates, as I have suggested, that the system is giving an added impetus to the “land boom,” and that those interested in land speculation were a potent factor in securing the enactment of the law.



## CHAPTER XIII

FOR the first time, class consciousness is rapidly developing among the American farmers. Whether this shall be for the weal or woe of our country will depend upon the mental condition of those people when this consciousness becomes articulate. If that voice speaks only of discontent, our free institutions will be in danger. For whenever any man, or class of men, take into their hands the redress of their own wrongs, it ceases to be redress, and at once becomes reprisal, if not revenge. That mental condition will depend largely upon their financial condition.

As I have stated elsewhere, the financial condition of the American farmer has not improved during the last twenty fruitful years, and especially during the last six years. Their patriotism is repressing, but not eliminating, the tremendous discontent among them. This discontent grows constantly worse. Among our other laboring masses, discontent is evidenced by their incessant strikes and their loud protests against the cost of living, which they claim has been increasing at a vastly greater ratio than the increase in wage. These things are ominous, and speak volumes concerning present marketing and future social conditions. As I have heretofore asserted, in no country in Europe, during the last two decades, have the farmers received so little for their produce, and the consumer

paid so much for their food stuffs, as in this country.

My plea is not for the farmer alone, but for our whole people. The underfeeding of the masses, and the splitting into classes, because of alleged wrongs, has been the beginning of the end of every republic throughout the world's history. Until victory is won, patriotic loyalty will not be found wanting in the individuals of our producing or our consuming classes. But if after peace negotiations have begun, discontent among these two great classes, both wearied of war and dissatisfied with the net results of their labor and the unnecessarily heavy burdens placed upon them, as compared with those of the mercantile classes, shall clamor for a peace, "when there is no peace," and demand that any cessation of war is better than its continuance, forcing our Administration into a peace that is not a complete peace, carrying with it permanent and complete liberty for all peoples, it will be a calamity to the race. In time of peace, our country failed to prepare for war. Shall we repeat the folly by failing in time of war to prepare for peace?

At present, when every good citizen is keenly alive to the necessity and value of 100 per cent. Americanism, it is an opportune moment to inaugurate and press forward a movement in that direction.

Mr. Roosevelt is quoted in a recent speech as suggesting that foreigners unable to read and speak our language should not be permitted to vote; that five years' residence here should be the limit allowed in which to acquire our language; and if not done within that time, the foreigner should be forever barred from becoming an American citizen; that after the

war laws should be enacted accordingly. Why after the war? Should not the five years' previous residence, as well as the intellectual qualifications, apply to all foreign born — those now here, as well as those to come in the future?

It takes vastly less time to master our language than to comprehend, absorb and become imbued with the true spirit of American institutions. Why wait until after the war for such legal enactments?

The inherent weakness of all democracies has been mental inertia — a tendency to act on collective impulse, whose origin is suggestion — instead of from individual investigation and reason. If these suggestions be sinister, the results are pernicious. Hypnotism of the crowd is the most prolific source of mal-legislation.

Immediately after victory, our nation will be confronted with the most complex, difficult and far-reaching economic and social questions ever submitted to a people. It will be unfortunate, beyond words to express, if at that time the balance of voting power rests with citizens of foreign birth and parentage — ignorant of our history, traditions and the fundamental principles of our Government. Had a vote been taken sixty days before, or even sixty days after, we entered the war, these foreigners, following the few noisy pacifists, would have placed our nation in the list of neutrals; not because the immigrants were pro-German or pro-Ally, but simply because they were anti-war, utterly unable to comprehend the difference between a war of aggression and conquest, and a war for defense and liberty.

After peace is declared, the mental and moral fiber of nations will be subjected to the supreme test. Internal reconstruction — readjustment of classes and the establishment of individual rights — must come. Unless our people comprehend more clearly, and think more logically on questions of government and human rights than other peoples have in the past, is not our Republic likely to follow its predecessors — a flaming meteor on the sky-line of oblivion? But I have an abiding faith in the American people, and because of them, “liberty shall not perish from the earth.” Should not those in position of influence and authority be helping to prepare our people for this momentous epoch in the world’s history?

Our post-bellum questions will be vastly more difficult to understand, and hence offer a more promising field for the political demagogue, and these — you may rest assured — will be here in abundance, as unfortunately men of their fiber are not on the firing line and race suicide will never reach that class.

## CHAPTER XIV

FOR more than a century, colored slaves did all manual labor on the farms in the South, and it seems difficult, if not impossible, for the Southern statesmen to differentiate between that race—whose origin was the jungle and whose education was under the master's lash—and the American farmer, whose origin was among the most God-fearing, liberty-loving classes in the civilized world, and whose education has been broader and deeper than that of the masses of any other nation or class of laborers in the world's history. They continue to look upon the American farmers as, if not in part and parcel, at least analogous to the ex-slave—his psychology materially different from that of other men—an element to be used, but always restrained—kept down. This attitude towards manual laborers—and especially field laborers—this fading stain of slavery on Southern mentality, may be observed in nearly every legislative action looking to the "Betterment of Agriculture." For example: On the vote to make the so-called minimum price of wheat—in fact, the maximum price in effect—\$2.50 per bushel, of the members from nine leading Southern States, are reported as six voting for and sixty-two against giving the farmer a possibility of profit on his crop. The measure was defeated by a majority of only twenty-seven.

Sugar and cotton are war essentials, the same as wheat and wool. The producer's price on the latter two are restricted; on the former two, it is unrestricted. Why, if not because the cotton and cane fields are owned by the "planters"—the forefront and bulwark of Southern aristocracy,—and have been for a hundred years; the wheat fields and pastures owned by farmers—field hands? High price of cotton in 1914-15 was \$10.38. High price 1917-18, \$34.10—approximately 230 per cent. increase. Average price of wheat 1914-15, \$1.165; Gore Amendment as passed (and vetoed), \$2.40; approximately 130 per cent. increase.

I have taken at random nine Northern States, which, in 1915, produced an aggregate of 649,949,000 bushels of wheat. The average consumption per capita in those States was 6.24 bushels. Ten Southern States, taken at random, produced in 1915, an aggregate of 77,800,000, with the average consumption per capita in those States of 4.54 bushels. Why should those Southern Congressmen, representing people who produce and consume so little and who had so little knowledge of wheat growing, so over-whelmingly defeat this measure? Neither from a standpoint of consumption nor the standpoint of production were they justified in exercising such arbitrary power. It has been the votes of those least qualified to know, and least disposed to care concerning the matter, that have usually defeated every bill for the "Betterment of Agriculture." These Congressmen being familiar with those industries, were, in my opinion, doubtless justified in preventing any re-



striction being placed upon cotton and sugar. By the same token, Congressmen from the chief wheat producing States, in a position to know better than others agricultural conditions in their respective localities, should have been deferred to in Legislation concerning those commodities. Any restriction of cotton, wool or food stuffs, is, in my opinion, a mistake. There has never existed a Nation, whose masses were too well clad or surfeited with wholesome food.

On the other hand, our profiteers look upon the farmers as the largest unorganized class, and, therefore, furnishing the broadest and richest field for exploitation. These two influences have usually been sufficient to defeat or divert broad, intelligent legislation, helpful to agriculture. Again, Congress has been handicapped by the lack of reliable and accurate information, which should have been furnished by the Federal Department of Agriculture, the Agricultural Departments of our State Universities, and others. The discussions on the floors of Congress over the bill to increase government price of wheat betrays gross ignorance of our agricultural conditions.

So far as I can learn, all figures, compilations made and conclusions reached by the Department of Agriculture on these subjects, have their origin in and are based upon the accumulated "guesses" of men in each township or precinct. These men neither survey the land nor measure the grain. As a preliminary estimate this may answer, but when all cereals are in the granaries or cribs, our Food Administrator should have positive and accurate knowledge of how much there is of each cereal and where it is located, if he is to



successfully discharge the duties of his colossal trust. To this end, every threshing machine, clover huller, cotton gin, etc., should be required to secure a Federal license. The license fees should be nominal, but the failure to procure and furnish data, or the neglect to follow and promptly comply with the rules and regulations, should be subjected to severe penalty. With each license, there should be sent a package of properly printed post cards, addressed to the Food Administrator's representative in the licensee's county. These licensees should be required to fill out and mail one of these daily, during the threshing season, giving the exact number of bushels of each cereal threshed on that date, estimated acres of grain, for whom, and the owner's post-office address. As there is now a rural mail box on practically every farm, less than five minutes daily of the thresher's time would be required to fill out and mail these cards. The county agent should tabulate these at the end of each week or month, and transmit the results to the Food Administrator at Washington. Thus, by November 1st of each year, the Food Administrator will know exactly the amount of each cereal in the country, and just where it is located. He would then not only be able to make definite plans, but to have each mill supplied with wheat from the adjacent or nearest territory, thus making a great saving of time, fuel, rolling stock and manpower. The Food Administrator, if wheat deliveries were slow, would know just what communities were withholding their wheat, and the card index in the hands of his county representative, in case requisitions were necessary, would show exactly where each bushel

of wheat in his community was located. With this system established, preliminary estimates would in time become more accurate and valuable, as there would be a positive check against them. As it is now, they are of little or no value, because we have never been able to know with any degree of accuracy the number of bushels of any cereal produced in any particular year. We may find out how much has reached the elevators, but there is not at present, nor has there ever been, a way of knowing the amount retained upon the farms for seed and home consumption, the amount wasted, fed to stock, or amount sold to local mills. Possibly other valuable information might be secured at the same time, and means devised to secure authentic data in regard to corn, and I feel sure that a similar plan might be worked out concerning our meat, and other products. The cost would be nominal, the results of enormous value. Incidentally, this method would interfere with the cornering of the cereal market and the wholesale exploitation of food stuffs. Conjectures by the Department of Agriculture have been very expensive. In the past, false or erroneous reports in regard to crop conditions and yields have induced the farmers to hurry their grain to market, only to find that a little later, when the bulk of the crops was in the central elevators, the reports were misleading and prices advanced.

A recent report of the Federal Trade Commission throws light upon the ignorance, injustice or indifference of Congressmen concerning the American farmer or farming interests. In a dispatch to the *Omaha World-Herald* dated Washington, June 29, 1918, the

commission is quoted as saying in substance: That the profits on milling increased from 12 per cent. for the four years ending June 30, 1916, to nearly 38 per cent. for the year ending June 30, 1917; and then in quotation, presumably from the commission's report, said, "These profits"—it is stated—"are indefensible, considering that an average profit of one mill for six months of the year showed as high as \$2 a barrel." If these things be true, it is evident that the profiteers were appropriating to themselves all and more than would have gone to the farmers under the Gore Amendment. The farmers fail to see how the taking of money out of their own pockets and putting it into the pockets of the profiteers savors of patriotism. Possibly these Congressmen can explain. As the Gore Amendment was before House and Senate for several months, its passage vigorously contested by these statesmen, and "these indefensible conditions" in the milling business, according to the Federal Trade Commission, continued for at least six months, these Congressmen were estopped from pleading ignorance.

Will the Food Administration advance the price of wheat, and thus stimulate production, or does it consider this extravagant margin between price of wheat to producer and cost of flour to the consumer as legitimate plunder for the profiteers? The consumers would rather pay a higher price for flour than to continue to pay the extortionate prices now exacted for its inferior substitutes.

## CHAPTER XV

NOTHING touching the food question can be done so mutually advantageous to both producers and consumers as the enactment of a law creating and encouraging grain elevators, analogous to the law for the establishment, encouragement and supervision of national banks. Not government-owned elevators, but simply those authorized, licensed, encouraged and supervised by the Government. These should be required to file reports, showing capital, assets and liabilities, with the Food Administrator at Washington, and to publish these reports the same as the banks now do at the call of the Comptroller of the Currency. They should also be subject to inspection by Federal examiners the same as the banks. These inspections and reports would be much more effective, accurate and valuable than those concerning the banks. Practically all that the reports to the Comptroller, made either by the bank itself or by the National Examiner, show is the face value of the paper held, not the intrinsic value of that paper.

One-tenth the time required to examine a bank would be required to examine an elevator of the same amount of assets, and these reports would be absolute, not only as to the amount, but as to the quality of each cereal. These warehouse certificates would be the best of collateral and everywhere accepted, and would

give to the farmers, whether great or small, a credit accordingly — a credit of real value to them, instead of to the exploiters. Their funds would be available when needed — interest stopped when the emergency passed. On account of the high cost of labor and material, an almost infinitesimal percentage of our farmers have suitable and permanent storage for their grain. Hence, there is enormous waste. On the other hand, if stored on the farms, it adds little or nothing to their credit except locally. Therefore, most of them are obliged to sell as soon as the grain is harvested. Such a system would tend to a more even distribution of sales of farm products throughout the year, and check the sharp market fluctuations, which are of advantage only to the profiteer. Small mills would spring up as they did before discriminating freight rates drove the small miller, and with him the local storage warehouse, out of business. In addition to discriminating rates and lack of storage facilities, the country miller, during a large part of the years, has to buy his grain from the elevators in the large grain centers, subjecting him not only to the expense of brokers' commission and profits, but to freight on the grain to and from those centers.

It is an economic absurdity that a large percentage of the flour consumed in such States as Iowa, Nebraska and Illinois should be milled at Kansas City or Minneapolis, or other cities entirely outside of these States.

The trend of traffic in the United States is along east and west lines, so except what little goes by the Great Lakes during summer season, all food stuffs produced west of the Great Lakes must be brought

south to get around Lake Michigan on its way to the seaboard and our great consuming centers. So the Nebraska, Iowa and Illinois wheat sent to Minneapolis for milling, and later to the Eastern markets, must be subjected to the unnecessary expense of freight to and from the initial point to Minneapolis. Again, a line east and west through the south point of Lake Michigan is approximately the dividing line between our winter and spring wheat areas, and as large quantities are shipped from each area to the other to be mixed in milling, this enormous expense can be avoided by milling the grain near this dividing line, or—during the war, at least—in the Allied countries. They need the by-products, as well as the flour.

As every one knows, these uneconomic practices were the result of specially low rates north and south to meet “river competition”—in other words, to rob the public at large from the benefits of water transportation on the Mississippi and Missouri rivers. With government control of railroads, it would seem that there was no longer any possible excuse for continuing this unnecessary burden upon producers and consumers—taking from the selling price of the former or adding to the purchase price of the latter, and continuing the waste of fuel, man-power and rolling stock. As to the economy in milling, because of water power, large capacity of mills, etc., one may not be an expert, may even be a novice in the milling industry, to see the fallacy of this theory. A few decades back, local toll mills were all over the country, and few States but what had laws governing them. In most



States, the miller's remuneration was restricted to one-tenth to one-eighth of the wheat ground, or its equivalent in money. From almost any railway station in Nebraska, the freight to Minneapolis on a bushel of wheat is more than one-eighth of its value, to say nothing of the freight for returning the flour and by-products — bran, middlings, etc. The average price of wheat from 1893 to 1915 inclusive in the Chicago market was 88.3 cents per bushel. The freight on a bushel of wheat from central Nebraska to Minneapolis on rates quoted just prior to advance under Government control was 13.74 cents per bushel, or one-sixth, instead of one-eighth, the value of the wheat. The same applies to the by-products — bran, shorts, middlings — indispensable to successful dairying. The high cost of these commodities has practically driven the small farmer out of the dairy business, resulting in an increased cost of milk, butter and cheese to the consuming public. Thus it is seen that larger profits to the farmer do not necessarily mean higher prices to the consumer. In fact, with marketing conditions such as obtained before the war in nearly all European countries, the price of food stuffs to our consumers could have been largely diminished during the last twenty years, and at the same time profits to the farmers enormously increased.

As side-lights on the present agricultural situation in general and evidences of the deplorable marketing conditions, some contemporaneous facts should be considered. One of these is the dividend of \$80,000,000 — 400 per cent.— on the capital of \$20,000,000 reported declared in 1916 by one of the packing com-



panies. At the time this dividend was declared, press dispatches quoted the vice-president of the company, in explaining it, as saying: "The \$80,000,000" (this dividend) "surplus involved in the increased capitalization stock dividend was earned in the period from 1901 to 1912, when few dividends were paid." A "few" cannot be less than two — probably several — but even if dividends covering only two years' profits had been declared, it would still leave a net annual earning of 44.4 per cent. covering the other nine years, and this without taking into consideration the princely salaries usually paid stockholders of such concerns as officers of the companies. Table No. 2 is taken from the April number of the *Farmer's Open Forum*, Washington, D. C., in its discussion of the Heney investigation. This table does not indicate that profits have been reduced to any great extent.

TABLE NO. 2  
PROFITS SUMMARY OF THE BIG FIVE PACKERS  
IN 1917

	Capital stock outstanding	Profit and loss surplus	Sales	Net income	Per cent earned
Swift & Co.....	\$100,000,000	\$59,965,000	\$875,000,000	\$34,650,000	34.65
Armour & Co.....	100,000,000	56,126,680	575,000,000	21,293,563	21.29
Morris & Co.....	3,000,000	37,293,554	(not given)	5,401,071	180.04
Cudahy Packing Co.	20,000,000	7,730,120	184,811,000	4,430,530	22.15
Wilson & Co., Inc.	30,476,400	15,051,045	(not given)	6,504,422	21.34

Facts disclosed at the investigation started (but not completed) by Mr. Heney, at Chicago — the ratio of the price of live hogs to cost, as shown in Table No. 1 — would indicate that the packing business had been vastly more profitable than disclosed by the above figures. Why was the Heney investigation carried to the point of maximum benefit to organized labor in the

packing houses, and abandoned just at a point when facts were being disclosed which should be of advantage to unorganized labor on the farms and the consuming public — throwing light upon the internal workings of the big packing concerns in our meat industry? If present laws were inadequate, why should not Congress, then in session, have immediately, by amending them, furnished a remedy? Has the lamp of the legislative Diogenes gone out in a search for "combination in restraint of trade," or is it because he feels that it is only a bunch of unorganized farmers who are making complaint — the consumers being ignorant of the source of their trouble, the misinformed, subsidized or misguided press assuring them that it is to be found in the greed of the farmers?

## CHAPTER XVI

THE state census of Iowa, 1915, covers seven years of those included in the packers' dividends quoted above. This census shows, among other facts, that the total buildings, implements and live stock on the average farm in that State, one hundred and sixty-four acres, were worth only \$4,391.80. The mortgage on the average Iowa farm is more than that. If to that we add the farmers' local indebtedness to banks, etc., the depreciation of soil (25 to 50 per cent.), what have the farmers of Iowa to show for more than two generations of hard work, with the minimum amount of recreation and luxury of any kind? A result of these conditions is reflected in a loss, during the decade covered by the last Federal census, of about one hundred thousand of its farm population. The state census, under the head of "Occupation," shows that during the decade, the number following agricultural pursuits decreased from 40.7 per cent. in 1905 to 36.3 per cent. in 1915; those in "Trade and Transportation" increased from 16.4 per cent. in 1905 to 25.4 per cent. in 1915; that the number of cattle turned in for assessment was practically a half million less than those turned in ten years before. That 48.4 per cent. of the acreage of Iowa farms are operated by renters. As the rented farms are smaller, and as a rule no help is hired upon them,

while the farms operated by owners are larger, and they hire much help, this means that 60 per cent. of the people on the farms of Iowa own no land and little other property. Iowa is undoubtedly the best agricultural State in the Union, if not the best agricultural area in the world,—its people the most intelligent (having only one per cent. of illiteracy) of any community of its size in the World. If with all these favorable factors, the above lamentable conditions exist, what must be the condition of the farms and farmers in other States less favored by soil, climatic conditions, and especially those who after more than a century of use have only an impoverished or exhausted soil?

Again, Nebraska, one of the most fertile agricultural States in the West—and perhaps the most exclusively agricultural State in the Union—on a parity with Iowa as to soil, climatic conditions, and character of its farmers, containing approximately 150,000 farms—during ten years—six of them included in the eleven mentioned in interview with packer referred to—increased its farm mortgage indebtedness at least \$180,000,000. (Exact figures are not obtainable, as during each of those years from three to nine counties, evidently not pleased with the showing made, failed to report. Without these, the aggregate increase shown in those reports was \$162,274,364.30.) The highest estimate made by those in position to know, is that this \$180,000,000 constituted only 35 per cent. to 40 per cent. of the mortgages then resting on the farms of Nebraska; but assuming that it is 40 per cent., the highest estimate, that would make the

total farm mortgage indebtedness of the State \$450,000,000. This is, in my opinion, a low estimate.

Bulletin No. 210 of the Nebraska State Department of Agriculture, dated November 25, 1916, shows that the total value of all permanent improvements, all the cattle, horses, mules, sheep and hogs on the farm, is, in the aggregate (and this on a very liberal basis), worth \$353,933,047. So that the Nebraska farmers have earned, as a result of more than fifty years' labor, since Nebraska became a State, to say nothing of the work done during territorial days, a meager living, and at least \$90,000,000 less than the mortgage indebtedness for their labor. To this deficit should be added indebtedness to banks, etc., for implements, store debts, etc., which would amount to millions more.

If the pauper peasantry of Russia, occupying an area equal to that bounded on the north by a parallel drawn through the southern borders of the Great Lakes, on the west by the 100th Meridian, on the south by a parallel through the Ohio River, and on the east by the Alleghany Mountains, could borrow an amount equal to the mortgages now resting upon the farms of that area — the very heart of the Corn Belt — it would have sufficient money to duplicate every house, barn, granary, crib and fence; to buy all the cattle, horses, hogs and sheep now upon those farms; and have hundreds of millions of dollars left with which to buy Ford cars, Victrolas and see the "movies."

Such a loan made to them by the Allies would temporarily suspend the Bolshevik movement now devastating Russia. But should the Allies at the same time impose upon these peasants the same labor and mar-

keting conditions which have rested upon the American farmers during the last ten years — that is, in spite of their utmost efforts, the mortgage indebtedness could not be reduced, but on the contrary, has been augmented at an ever-increasing ratio from year to year; and millionaires would, in Russia, multiply just as they multiplied in our country during the last two decades. But Bolshevism will rejuvenate itself, not to fight with pitchfork and club, but with bayonets and machine guns, and just so sure as our labor and marketing conditions are not changed for the better, an agrarian revolution in America is inevitable. Many think that in the Non-Partisan League they see the beginning of such a revolution, and are alarmed. This revolution would probably be bloodless, but it would sow the seeds of an anarchy worse, if possible, than Bolshevism of to-day.

The most grave question before the American people is not as to the issues of the great war, but whether or not, when victory is won, personal and property rights, regardless of class, shall be recognized and secure in our land.

As to the profits on increased value of land, every intelligent farmer knows that his acres in virgin soil, still unprofaned by the plow, are more salable, as well as of greater intrinsic value, than those that he has so laboriously and profitlessly tilled, and that the advance in selling price, be it great or small, is not so large but that his equity is more than likely to be wiped out by the first financial depression; just as such equities were wiped out by the thousands during the depression that followed the panics of 1837, 1857, 1873 and 1893.

The ratio of the intrinsic value of the farmers' presumable equity to their indebtedness is less now than in either of the four preceding periods referred to.

I know of no State in the Union which would make a showing more favorable than either Iowa or Nebraska.

It is these thoughts that have prompted hundreds of thousands of the best American farmers to realize upon their equities while it is possible. It is their energy, efficiency and money, driven thence by our intolerable labor and marketing conditions, that has made possible the wonderful development and prosperity of the Canadian Northwest.



## CHAPTER XVII

IN June, I spent ten days in one of the most fertile sections of Illinois. Leaving it on an interurban railway, I shared a seat with a factory operative — a farm-reared boy — on his way to work. He pointed out his father's farm, where he was born. He told me that his wage was 52 cents per hour, but at the end of each week, if he worked full schedule time for the six days, he received a bonus of \$7.80 — \$1.30 per day — or about 11 cents per hour additional. This was not for service rendered at all — that was already fully paid for; no such excuse or pretense was made. This bonus was simply a reward for working regular schedule time at an extremely liberal wage — a wage 400 per cent. higher than is received by the average farm owner if he be allowed 3 per cent. on his money invested. The income tax returns confirm this. Only one farmer in four hundred has a gross income of \$3000, and this without allowing anything for wages paid his sons or other members of the family. Why should this young man and his brothers remain on the farm? Did this young man own a farm — all the acres he could possibly work — he could not afford to till it. It would be more profitable to let it lie fallow, and stick to his job. They are not remaining, and tens of thousands of their fellows are leaving the farms for similar reasons.

In the whole history of the development of our country, from the time the New Englanders first began to migrate to the country west of the Alleghanies, there has been no parallel to the high character of the farmers emigrating from the best States of the Corn Belt to the Canadian Provinces. In the settlement of the great plains and valleys between the Alleghanies and the Rockies, the average emigrant from States farther east seldom brought more than a poor team, one cow, plow, harrow and a few household goods, aggregating on the average less than \$300 per family.

The Canadian records show that the assets of the average emigrant, coming from the American farms to their Northwest Provinces, vary from \$3,000 to \$10,000 in money, together with an ample supply of farm implements and household goods. Yet in view of these appalling facts, the present Congress, panicky in the fear that the American farmer may be too prosperous, is so restricting the prices on his leading commodities, that under present labor and marketing conditions, their production is unprofitable. This, too, in face of the fact that organized labor and most commercial enterprises are reaping greater profits than ever before in the history of this, or any other, country. Had unorganized labor on the farms during the last ten years received the same consideration that organized labor in our industries has received, and had marketing conditions been one half as favorable as in any European country, "Meatless and Wheatless Days" would have been absolutely unnecessary—even if the war continued indefinitely—and food prices vastly lower.

How is it that such conditions can exist and the public is so misled concerning them? There are many reasons. Perhaps one of the most potent is found in the fact that six out of every ten business and professional men, including bankers and salary earners, and an army of farmers and wage earners, are directly interested in land speculation. Hence, it is practically impossible to secure publicity of anything that tends to check the boom, or that might bring a recession of land prices. The United States Department of Agriculture, whether consciously or unconsciously, has seldom seemed entirely insensible to such influences. As an illustration: Some time since, this Department prepared a bulletin, No. 41, the ostensible purpose of which was to show the net earning capacity — incidentally the intrinsic value — of the farm lands throughout the country. The result, if not the object, of the bulletin seemed to have been chiefly to help the land boom.

To make this investigation, they claim to have taken a large number of farms in three different States (average representative farms, of course; otherwise, the investigation would have been meaningless) and from these deduced facts bearing upon the question of farm products (incidentally, farm land values). A discussion of this in detail is unnecessary. A few facts and figures will suffice. The first factors in the problem, of course, would be the yield per acre and the price of the leading cereals that year throughout the country. These were as follows:

TABLE No. 3

U. S. Department of Agriculture Reports: (Average yield same year)		Presumably as used in the Bulletin:
Wheat yield .....	12.5 bu.	18.9 bu.
Corn yield .....	23.9 bu.	48.3 bu.
Oats yield .....	24.4 bu.	40.3 bu.

TABLE No. 3½

(Page 36, Bulletin 41, U. S. Department of Agriculture)

COMPARISON OF CROP YIELDS ON OWNER AND  
TENANT FARMS IN INDIANA, ILLINOIS,  
AND IOWA

State	Yield per Acre (Bushels)					
	Corn		Oats		Wheat	
	Owner	Tenant	Owner	Tenant	Owner	Tenant
Indiana .....	52.5	52.2	47.8	45.5	19.5	19.0
Illinois .....	54.5	52.2	38.2	39.7	17.4	15.4
Iowa .....	37.9	36.4	34.9	32.6	19.7	16.8
Average .....	48.3	46.9	40.3	39.3	18.9	17.1

From which it will be observed that in the problem, as shown by the bulletin, the yield of wheat is 50 per cent. above normal average; yield of corn 100 per cent. above the normal average; and oats 66 per cent. above the normal average. Again, the amount of the essential food elements taken from the soil by these crops was not taken into consideration. Three of these elements — potash, nitrogen and phosphorus — are staple commercial commodities, and at pre-war prices, the amount taken from the soil by each bushel of grain, as shown by Table No. 4, is as follows:

TABLE No. 4

Bushel of corn .....	\$.1665
Bushel of wheat .....	.2358
Bushel of oats .....	.1119

The net result of this investigation was to show that even at these inflated figures, there was a return of only  $3\frac{1}{2}$  per cent. of the money invested by farm owners, or three to three and a half dollars per acre. Changing no other figures, but reducing the yield to be in keeping with the average yield reported by the Department of Agriculture itself, it would reduce the yield of corn 50 per cent.; the yield of wheat 34 per cent.; and the yield of oats 39 per cent.; and would show that instead of receiving an income, the farmer was paying from \$3 to \$4 per acre and taxes for the privilege of using his own land. Waiving the question of yield, but deducting the value of the plant food elements taken from the soil by the three cereals named, it would show that the farmer must still pay \$3 to \$5 per acre and taxes for the use of his land. In short, correcting figures as to yield and making due allowance for soil elements removed, their experiment would show that the farmer is actually paying from \$4 to \$6 at least per acre rent upon his own land.

In response to an inquiry why this element of soil depreciation was omitted, a letter from the Department of Agriculture said, "If we would deduct the value of these elements, we would soon reach a point where land would be valued at a very low price." A most astounding admission. In substance, that in solving scientific problems of far-reaching importance in the greatest of all our industries, the United States Department of Agriculture must reach desired or preconceived conclusions, even if vital facts be omitted to do so. The Department did not seem to know whether

lands were surveyed, grain measured, or both simply estimated.

TABLE No. 5

FERTILITY IN FARM PRODUCE, APPROXIMATE MAXIMUM AMOUNTS REMOVABLE PER ACRE ANNUALLY

Produce		Pounds			Market Value			
Kind	Amounts	Nitro- gen	Phos- phorus	Potas- sium	Nitro- gen	Phos- phorus	Potas- sium	Total Value
Corn, grain..	100 Bu.	100	17	19	\$15.00	\$.51	\$1.14	\$16.65
Corn stover..	3 T.	48	6	52	7.20	.18	3.12	10.50
Corn crop....	.....	148	23	71	22.20	.69	4.26	27.15
Oats, grain..	100 Bu.	66	11	16	9.90	.33	.96	11.19
Oat straw...	2½ T.	31	5	52	4.65	.15	3.12	7.92
Oat crop....	.....	97	16	68	14.55	.48	4.08	19.11
Wheat, grain	50 Bu.	71	12	13	10.65	.36	.78	11.79
Wheat straw	2½ T.	25	4	45	3.75	.12	2.70	6.57
Wheat crop.	.....	96	16	58	14.40	.48	3.48	18.36
Soy beans...	25 Bu.	80	13	24	12.00	.39	1.44	13.83
Soy bean straw .....	2¼ T.	79	8	49	11.85	.24	2.94	15.03

Professor Hopkins says, "The figures given in this table are based upon averages of large numbers of analyses of normal products, of which some have been made by the author and his associates, and many others by various chemists in America and Europe. These averages are trustworthy." . . . "On the whole, however, it is as nearly correct to say that a fifty-bushel crop of wheat requires 96 pounds of nitrogen and 16 pounds of phosphorus as it is to say that a measured bushel of wheat weighs 60 pounds."

With an object lesson of soil robbery, extending along the Atlantic seaboard, from the Carolinas to the Canadian lines, resulting in wholesale farm abandon-



ment, it would seem that no opportunity should be missed to emphasize this danger, and to impress such facts upon the farmers of America, to the end that they should not allow such a disastrous practice to be repeated in our younger States.

The most highly desirable class of farmers is fast disappearing. Though in the foreign-born (Slavs, Sicilians, Greeks, *et al.*), who are taking their places, there are great potentialities for good, great possibilities for citizenship in the future, they will not, in a generation, if un-Americanized, be qualified to pass upon those intricate and momentous post-war questions which must be met. These immigrants are inclined to settle in colonies, each of its own nationality. Unless there remain in each community at least a few intelligent, forceful Americans, alien language, habits and traditions will prevail, and it will require generations to assimilate and Americanize this foreign mass. The forceful and intelligent American will not remain on the farm under present economic conditions. He can do better in other vocations.

In passing, I would remark that a land boom was the last boom — the one just preceding every great panic in the history of this country.

The intelligent farmer is conscious of the fact that if he had tilled, and used for his vegetable garden and home, one acre, instead of trying to till 160 acres, and had worked for others at 30 cents per hour, the labors of himself and family would have been less arduous, their cares infinitely less, and the net financial results greater than are now his.

Our country has dire need of the farmers' products



— it has greater need of the farmer. If during the economic and social disturbances (world-wide) which must follow this war, we cannot depend upon the sane, fair judgment of the American farmers — that largest and most intelligent class of manual laborers the sun ever shone upon — Bolshevism in America is more than a possibility.

## CHAPTER XVIII

AN American orator once spoke of "that corporate courage which drives the coward to a valorous deed." By the same token, we have in this country to-day a corporate cowardice which prompts men to stand aghast at the criticism of any public man, no odds how inefficient; or a suggested change or betterment of any measure, no odds how ineffective; and they are ready to cry out, "Disloyal, etc."—when constructive suggestions are made by the most loyal citizens. Among these good citizens are scattered the worst enemies of the republic—profiteers, grafters and men who rejoice at everything that tends to defeat the nation's purpose in this great struggle for human liberty.

This influence is apparent in nearly every gathering of farmers. To illustrate: In a state meeting of farmers at Omaha, some months ago, it was admitted that following the price fixing of wheat, the acreage of winter wheat sown in the State was reduced to 25 per cent. below the normal average. A resolution was suggested, calling the attention of Congress to the fact that the low price fixed upon wheat was so out of proportion to the price of other commodities—cotton, labor, etc.,—that it would result in reduced production of that cereal, just at a time when war necessities must greatly increase the demand. This suggestion was met with shouts, insinuating lack of patriotism, etc., and a

resolution promptly passed that would lead Congress to believe that the price fixed upon wheat was entirely satisfactory.

The real feeling of the farmers of Nebraska was reflected in the output of wheat for that year of 13,764,000 bushels as against an annual average output of 69,428,000 bushels during the three years previous (see 1917 "Red Book," page 50); and is further reflected by the estimated yield of 43,000,000 bushels — both spring and winter wheat — for 1918. Unfavorable conditions had something to do with the reduction of output for 1917, but if the acreage had been stimulated to 25 per cent. above normal, instead of being depressed to 25 per cent. below normal, the increase in bread stuffs would have been 50 per cent. to 100 per cent. to be added to the total amount saved by the strenuous and able efforts of the Food Administrator of the State of Nebraska.

As Nebraska has gone "Over the Top" in subscriptions for Liberty Bonds, Thrift Stamps, Y. M. C. A., and every other war enterprise, including volunteers, the charge of disloyalty will not lie.

The above is an example of how both in private and public assemblages expressions and suggestions, which would have been valuable to the Administration and Congress, and might have rendered some of the flagrant abuses impossible, have been prevented. Why should not the criticisms and suggestions from intelligent citizens be heard, even if the most of these are erroneous, or of little value? In France and England such criticisms and suggestions have been heard and heeded, and resulted in a very marked improvement

in the prosecution of the war. Because of it, weak generals have been replaced by stronger ones; inefficient officials by abler men. One, who was among the highest officials in the French nation, at the time war was declared, is now in prison, awaiting trial for treason. Few, if any, of these desirable results would have been so speedily brought about had criticisms and suggestions been throttled. Why should we not benefit by their experience?

No one is more heartily in favor of punishment, swift and sure, for every one guilty of treason, than I; but that a self-constituted class of patriots are permitted to assail any individual who disagrees with them, any class that does not conform to their particular ideas of Government or personal conduct, is not in keeping with the American spirit of liberty. If the officers of our Government, high or low, ever cease to be the servants, and become the masters, of our people, the spirit of democracy will die within us.

## CHAPTER XIX

PROFESSOR LIEBIG, then an obscure chemist, now known as the "Father of Agricultural Chemistry," in his homemade laboratory in Giessen, delved deeper into the secrets of plant life than his predecessors. In 1834, he published to the world the results of his research. Briefly stated, these were that all plants and foods contain definite and fixed amounts of certain chemical elements; chiefest among these being phosphorus, potash and nitrogen; that these were obtained through the plant from the soil. That in time by continued cropping the plants would exhaust the meager soil supply of these elements, and unless they were, by the hand of man, replaced, the soil would ultimately become worthless. Hence, soil feeding was an imperative necessity if the limited areas of tillable land in civilized countries continued to supply proper food for the constantly increasing inhabitants.

The leaders of agriculture in England, France, Austria, Italy, Germany, and nearly all other countries, accepted and acted upon these theories with marked improvements in the agriculture of each. Naturally his own country was the first to adopt Liebig's theories and put them into practical execution. The results in the increased yield of cereals per acre on four German estates are shown in Table No. 6. Contrast with these Table No. 7, showing the decreasing yields per acre in the State of Kansas.

TABLE No. 6

	Years	Wheat	Rye	Barley	Oats
"A"	{1830 .....	18.7	21.2	35.6	46.2
	{1897 to 1904.....	46.1	34.	50.4	69.1
"B"	{1825 to 1834.....	21.04	21.63	30.19	31.85
	{1900 to 1904.....	36.14	32.52	43.23	57.80
"C"	{1830 to 1840.....	18.82	15.04	16.37	13.86
	{1885 to 1894.....	35.70	29.52	41.06	43.96

Showing average yields per acre and at different periods on three German estates, numbered "A," "B" and "C" respectively, and the increased yield secured by application of scientific principles, business methods and intelligently directed labor.

TABLE No. 7

## AVERAGE YIELD PER ACRE, STATE OF KANSAS

Crop	1860-1889 (Bu.)	1889-1908 (Bu.)	Decrease (Per cent)
Corn .....	34.2	21.6	36.9
Wheat .....	15.3	11.8	22.8
Oats .....	32.8	21.9	32.2

Professor J. W. Spillman, of the United States Bureau of Plant Industry, in referring to Table No. 7, is quoted as saying in *Hoard's Dairyman* of May 14, 1909, "These figures are in general agreement with the data from other sections of the country."

Ignoring all this, certain men in the Federal Department of Agriculture, some fifteen to eighteen years ago, began to combat the theory advanced by Professor Liebig, as well as by the managers of the Rothamsted farms in England (where scientific agricultural experiments have been continued for nearly a century), and others, claiming to have had made a



great discovery; viz., that lands that were worn out and had become worthless had not done so because the food elements therein had been exhausted; but because certain plants, called weeds, exuded or exhaled certain substances, deleterious, if not poisonous, to other plants, and especially to those plants chiefly propagated for human food. To illustrate: Professor Hopkins in the work referred to quotes from Bulletin No. 22, Bureau of Soils, United States Department of Agriculture: "It appears further that practically all soils contain sufficient plant food for good crop yields, that this supply will be indefinitely maintained." Professor Hopkins again quotes as from Bulletin 55, Bureau of Soils (Soils of the United States, February, 1909), as follows: "The soil is the one indestructible, immutable asset that the nation possesses. It is the one resource that cannot be exhausted; that cannot be used up, etc." He further quotes from a hearing before the Congressional Committee on Agriculture, 1908, in which a representative, Mr. Cameron, of the Department of Agriculture, is questioned as follows:

The Chairman. "Then I come back again to the question, Why is it necessary, or is it in your judgment necessary, ever at any time to introduce fertilizing material into any soil for the purpose of increasing the amount of plant food in that soil."

Mr. Cameron. "Not in my judgment."

In view of facts disclosed by the foregoing tables, and with the history and present condition of agriculture in India, China and elsewhere, as well as what has taken place all along our Atlantic Coast, it seems

almost unbelievable that the Department of Agriculture should have put itself on record as discouraging the American farmer from doing all possible toward maintaining the fertility of the soil, and especially any of those things which science, as well as all human experience, has so clearly pointed out as being necessary. If instead of this discouragement, the Department of Agriculture had impressed upon the American farmer some of the facts disclosed in Tables Nos. 5 and 8; viz., that when he burned the straw and stubble from his grain fields he was, in these indispensable food elements, destroying what would cost him from \$2.50 to \$3 per acre to replace; that when he burned his stalk field, instead of plowing it under, he was losing, in soil elements, what would cost him from \$3 to \$4 to replace, and besides these a vast amount of humus, indispensable in putting these elements into solution, thus making them available as plant food. If farmers had been impressed with these facts, do you think that for the last twenty years, our prairies would, for weeks, be lighted up with burning stubble fields, stock fields and straw stacks, and our average grain yields per acre constantly decreasing? This waste is preventable. It simply comes from lack of knowledge that should, and could, easily have been furnished by the Department of Agriculture and the Agricultural Educational Institutions.

In 1860, we had upon our lands the most intelligent and industrious farmers that ever tilled the earth. From the Alleghanies west, it was then practically a virgin soil; so the appalling contrast in yields per acre can only be accounted for in the methods of

agriculture, and as we are paying, and have been paying, ever increasing millions annually for the support of the Federal Department of Agriculture, scores of the State Universities, Agricultural Schools and Colleges, these institutions are, in a very large degree, responsible. For in addition to scientific research and information, it was their manifest duty to keep both Congress and the public advised as to the labor situation and marketing conditions affecting agriculture, for the betterment of which they were created and are maintained.

Table No. 8, made from the 1914 Year Book, showing the average yields per acre of leading cereals in our own, and European countries, since 1900, is evidence that this appalling tendency continues. As hundreds of thousands of acres of old, worn-out lands throughout the East, during these fourteen years, have been abandoned, and in the West hundreds of thousands of acres of virgin soil been brought into cultivation, and as European lands have been worked for a thousand years, conditions are worse even than those indicated by tables.

TABLE No. 8  
AVERAGE YIELD PER ACRE OF UNITED STATES AND  
EUROPEAN COUNTRIES 1890-1914

	Barley	Wheat	Oats	Rye
United States .....	24.9	14.8	29.5	16.1
Germany .....	37.1	30.7	54.0	27.4
Russia .....	15.0	10.0	18.0	12.0
France .....	24.1	20.1	31.1	16.9
Hungary .....	24.6	19.0	31.5	18.3
United Kingdom .....	35.5	33.4	43.5	29.1

To show that I do not stand alone in my opinion of the wonderful theory advanced by the Department of Agriculture, I would refer you to pages 339 and 340 in "Soil Fertility and Permanent Agriculture," in which it will be seen that in a canvass of 104 agricultural chemists, agronomists, professors of agriculture, soil specialists, etc., but two were found willing to endorse these theories, and, as quoted, "These two are from minor or branch institutions, however, not one of the Land-grant Colleges or State Experiment Stations being willing to accept or teach them in the sense in which they have been put forward by the Bureau."

Where is the fault, and what the remedy? There is, I think, no grounds for suspicion of fraud or profiteering either in the Department of Agriculture or the Agricultural Institutions throughout the land. In all of these are many earnest and able scientific men, whose research and experiments should be of inestimable value to agriculture; but those directing the affairs of these institutions have seemingly failed to appreciate the seriousness of their work, the enormously important part that they should play in the economic, as well as the every-day life, of the nation. Hence, they have permitted inefficient, impractical theorists, faddists and sensationalists to occupy too prominent a part in these institutions. Since commercial and political interests began to look upon these institutions simply as organizations, "going concerns," which they could use to pecuniary and political advantage, these ills have multiplied. Congress is not blameless in failing to observe and correct these evil tendencies. An

extended discussion of this phase of the subject is not permissible in this volume. I would, therefore, refer the reader to "Soil Fertility and Permanent Agriculture," by Professor Cyril G. Hopkins, to whom I am indebted for much scientific data, including some of the tables herein.

In other directions, the Department of Agriculture and these Agricultural Institutions are derelict. Why has there not been a loud-voiced protest from these institutions, whose business it was to know the soil needs, to Congress against the enormous waste of manure at the Stock Yards in our packing centers? Hundreds of thousands of tons of the best possible manure, at all of these Stock Yards, are annually allowed to waste in the sun and rain, and to be washed into specially constructed sewers, and to be burned in incinerators built for that purpose. None of this should be wasted. While one for years has been able to secure freight rates on commercial fertilizers to the most obscure station, at many stations in the vicinities of the packing centers, it is impossible to secure any rates at all on stock yard manures. If to any, usually at rates that are prohibitive. As the first profits from an increased tonnage of grain and other food stuffs goes to the transportation companies (freight rates must be deducted before a dollar is paid on any commodity), they can afford to make an exceedingly low rate on transporting this much needed fertilizer to the farming communities, and now that our Government is operating the railroads, I see no reason why a movement in this direction should not

immediately be made. As the great majority of all the cars bringing live stock to the packing centers go back empty, the cost of transporting the Stock Yard manure to the country would be nominal. It is valuable as a fertilizer, not only because of the food elements contained, but for the humus, for the lack of which many soils, and especially those of the "loess deposit," are suffering.

As evidence that these tendencies toward soil depreciation and decreasing yields of grain still continue, and that many thinking men view the situation with alarm, I quote from a speech delivered by Hon. Carroll S. Page, of Vermont, in the United States Senate, July 24, 1916.

"Within the last thirty years Germany has increased her production of rye from 15 to 29 bushels, the United States from 14 to 16 bushels; Germany increased her production of wheat from 19 to 30 bushels, the United States from 13 to 15 bushels; Germany increased her production of barley from 24 to 39 bushels, the United States from 24 to 24.3 bushels; Germany increased her production of oats from 31 to 59 bushels, the United States from 28 to 30 bushels; Germany increased her production of potatoes from 115 to 208 bushels, the United States 98 to 100 bushels.

"This statement is so full of meat that I wish to give to the Senate these figures in percentages:

"The German increase in rye in 30 years was 87 per cent., the United States 10 per cent.; in wheat 58 per cent., the United States 14 per cent.; in barley,



60 per cent., the United States 1 per cent.; in oats 85 per cent., the United States 6 per cent.; in potatoes 80 per cent., the United States 7 per cent.

“Mr. President, Germany has an area equal only to the three States of Minnesota, Iowa, and Missouri, but she produced three-fifths as much oats, four-fifths as much barley, three times as much sugar, six times as many potatoes, and nine times as much rye as we produced in the whole United States.

“Let me state it in another way. In 1907 Germany had 43,000,000 acres sowed with wheat, barley, oats, and potatoes. She harvested therefrom 3,000,000,000 bushels. We had under cultivation 88,500,000 acres — more than twice as many acres as Germany — and sowed the same crop. The American farmer harvested only 1,875,000,000 bushels. In other words, from less than one-half the acreage Germany harvested nearly double the number of bushels that we did.

“If from the land we devoted to oats, barley, and potatoes the American farmer had produced the same per acre as was produced in Germany, we should have been richer by \$1,400,000,000 annually.”

The most practical way to rejuvenate the soil of an old farm in the Central West is with a treatment of ground rock phosphate and crushed lime stone. In amounts used most economically, these materials cost from \$25 to \$30 per acre, and as this treatment must be repeated at least once in five years — about \$5 to \$6 per acre per annum. Hence, if each farmer has \$100 per acre of his land to invest, it would require the interest on same to keep the farm approximately

up to virgin fertility. On soils where potash is also needed, a liberal addition to cost of this must be added. To all these must be added barn-yard manure and frequent clover crops. As the clover adds little, or nothing, to the soil, unless plowed under, and as the clover is a biennial crop and must be sown every two years; as good clean seed costs from \$9 to \$12 per bushel; the young plants frequently Winter kill before making any return; and the hay plowed under is worth from \$8 to \$12 per ton; this additional fertilizing is expensive.

The above shows what the lost soil elements were worth — what soil depreciation really means to the farmer. These things also, incidentally, show that an abundance of intelligently directed labor is indispensable to successful farming.

I believe in conservation and approve every rational step taken in that direction, but in food stuffs, it is, at the utmost, measured by what the American people will deny themselves. On the other hand, a properly stimulated increased production has practically no limit, certainly it would go far beyond the possible needs of our armies, our Allies and our own people.

Had German agriculture — acreage yield — been no better than American agriculture, the British and French armies would have long since marched on to Berlin, needing no other allies than hunger and want among the German people. Had French agriculture been no better than our own, she could not have continued the war for a single year after the submarine campaign was inaugurated. So that the present war necessities and future preparedness both demand a

tremendous increase in our production of food stuffs.

But waiving these, many are of the opinion that but for the war, a farm mortgage foreclosure era would ere this have been in full swing, with its inevitable accompaniments of depression and panic. Since the sub-sea warfare began, vast amounts of wheat and other cereals have been, and are, accumulating in India, Australia, Argentina and elsewhere. In Australia, Argentina and other South American countries, flocks and herds have been multiplying at a constantly increasing ratio. Many think that when peace comes, these vast accumulations of human foods will be thrown upon the European market. That the impoverishment of the masses of Europe must continue to keep consumption at the minimum, resulting in such a radical depression of prices, that because of their tremendous burden of indebtedness, the American farmers will be crushed under this competition, and disastrous consequences follow. Such a crisis can only be averted by prices that will, during the war, enable the American farmers to reduce their indebtedness, so that they may be able to meet the emergency and stem the tide. Hence, from every point of view, one can see the imperative demand for "The Betterment of Agriculture."

Inaccurate and inflated estimates, sophomorical treatises on husbandry and oratorical dissertations on the farmers' patriotism, rather hinder than help in this direction. War profits to the farmer, or the lack of them, are reflected by a statement just received from the State Auditor, whose official duty it is to secure and publish these statistics, which shows that

the increase in the farm mortgage indebtedness in Nebraska, during the year 1917, was \$29,755,109.14, as compared with an increase of the farm mortgage indebtedness for 1906 of \$8,092,336.48; in 1907 of \$10,074,881.70; and in 1908 of \$9,707,244.64; with nothing like an adequate increase of the farmers' assets. In my opinion, on account of high cost of material and scarcity of labor, less than the usual amount of farm improvements was made in 1917. As I have shown, the increased selling price of land is of no value from either the standpoint of national economics, or that of the real farmer.

## CHAPTER XX

As an illustration of the futility of attempting to reach reliable or accurate facts from estimates made by the Department of Agriculture, or any one else, I would say that in the June number of *The Farmers' Open Forum*, Mr. George Creel, Chairman of the Committee on Public Information, has an article in which he attempts to prove that under the government fixed prices, wheat has advanced at a greater ratio than corn.

In reaching this conclusion he says, "The figures collected by the Department of Agriculture show that the average prices received by the farmer during the three years previous to the War were, roughly, 86.9 cents a bushel for wheat and 66.5 cents for corn." With these figures as a basis, he proceeds to show that "the increase over the pre-war prices has been 131 per cent. in the case of wheat and only 109 per cent. in the case of corn."

The figures in Table No. 9 are taken from the December, 1917, number of "Our Red Book"—Statistical Information—by Howard, Bartels & Co., Chicago. This publication is, I think, considered reliable and taken as standard on statistics of crop yields, prices, exports, etc.

We are not just sure whether Mr. Creel means the three years prior to our entrance into war, or the three years prior to the original declaration of war

TABLE No. 9  
YEARLY AVERAGE PRICES BASED UPON THE  
MONTHLY RANGE FOR THE ARTICLES NAMED  
IN THE CHICAGO MARKET

Year	Wheat	Corn
1911 .....	\$0.98 $\frac{5}{8}$	\$0.59 $\frac{1}{8}$
1912 .....	1.04 $\frac{1}{2}$	0.68 $\frac{7}{8}$
1913 .....	0.95 $\frac{1}{4}$	0.62 $\frac{1}{2}$
<hr/>		<hr/>
Average .....	\$0.9945	\$0.635
1914 .....	\$1.01 $\frac{3}{4}$	\$0.69 $\frac{7}{8}$
1915 .....	1.31 $\frac{1}{4}$	0.72 $\frac{7}{8}$
1916 .....	1.38	0.82 $\frac{3}{4}$
<hr/>		<hr/>
Average .....	\$1.2366	\$0.751

by Germany in 1914. We assume that it must be the latter. If so, how does it happen that the "prices received by the farmer during the three years" were 12 $\frac{1}{2}$  cents per bushel less than the Chicago market price for wheat? And 3 cents per bushel more than the Chicago market price for corn? Deducting 12 $\frac{1}{2}$  cents per bushel from the Chicago market price for corn, will reduce it to 51 cents per bushel. This would reverse his findings and show that the ratio of increase for corn was 180 per cent., instead of 109 per cent., as he states. On the other hand, if we assume that it is for the three years prior to our entrance into the war, it would show that the farmer was getting over 36 cents a bushel less than the Chicago prices for his wheat, and only 8.6 cents per bushel less than the Chicago prices for his corn.



## CHAPTER XXI

No two rivers in the civilized world, capable of carrying so much freight, are carrying so little as the Mississippi and the Missouri. To no communities in the whole world is the freight item of such transcendent importance as to the people of these great valleys.

American agriculture is under a tremendous handicap, in that our great food producing areas are in the midst of the continent, far removed from tide water, and hence, from the world's markets, where the prices of farm products are fixed. Our Government must advance millions to our great railway companies to meet maintenance and operating expenses. The people of the country are being subjected to tremendous inconvenience and loss for lack of transportation facilities. Why should not our Government advance a few millions for steel or wooden barges, and for otherwise developing transportation on these great waterways, thus enormously reducing expense, fuel and manpower along transportation lines, beside relieving the freight congestion at almost every terminal point?

When in Belgium, a few years ago, I learned that though the Government owned nearly all of its railways, it was, for every six miles square of land (equal to one of our townships), maintaining more than one mile of internal waterways. Prominent business men there credited these internal waterways for Belgium's

ability successfully to compete with all other peoples in the world's market with its manufactured products. If Belgium, owning her own railways, can afford to maintain this vast system of internal waterways, why should not our country encourage the development of our own? Whenever this subject is discussed in the press or on the platform, suggestions are made that the railways must be protected from water competition. Why, if not on the theory that the people were created for the transportation companies, instead of the transportation companies for the people? By what power, human or divine, was the accruing blessing of water transportation bequeathed to a few people living along the shores and to the transportation companies?

I found that from a given point in Belgium to any other point, whether fifty or five hundred miles distant, the freight charges by water were not more than 50 per cent. of the freight charges by rail.

On some stretches of the Missouri River, companies with small capital and meager equipment are profitably carrying freight. But such companies can never secure sufficient capital permanently to carry freight, so long as there is a fear on the part of investors that the Government may, in the future, as in the past, permit railway lines, paralleling these streams, temporarily to make such low rates as to bankrupt the waterway companies, at the same time recuperating the railway losses by increased rates from inland points, and when the boat companies are driven out of business, resume original high rates. Our Government should at once take a firm stand in the matter and assure the American people that all the rights,

blessings and advantages incident to waterway transportation should be forever secure in and for the whole people, regardless of how the development of these waterways may affect the railway or other special interests. With this assurance and small aid in present emergency, internal waterway systems would soon be established and developed, resulting in vast profits to the nation.

To illustrate the discriminating rates in favor of lines paralleling waterways, I would say just prior to the taking over of the railways by the Federal Government, it cost 11.9 cents per hundred to bring a carload of corn from Grand Island to Omaha — 153 miles. If that carload of corn was reshipped to Kansas City, 192 miles, the rate would be only 5.5 cents per hundred (less than one-half for the longer than for the shorter distance). On wheat from Grand Island to Omaha, 13.6 cents per hundred. The rate on this same wheat reshipped to Kansas City, 5.5 cents per hundred. The rate on wheat from Grand Island to Omaha was 13.6 cents per hundred. The rate on wheat originating beyond Kansas City and rebilled from Kansas City to Minneapolis, 558 miles, is 12 cents a hundred, or 1.6 of a cent less per hundred to ship it 558 miles parallel with the Missouri River, than to ship it 153 miles from a station in the midst of the grain fields to Omaha. The rate of corn from Grand Island to Omaha is 11.9 cents per hundred. The rate of corn originating in the grain fields of Kansas, and reshipped from Kansas City to Minneapolis, 558 miles, is 11 cents a hundred, or .9 of a cent less per hundred for carrying it 558 miles paralleling the Mis-

souri River, than for carrying it 153 miles from stations in the grain fields, on direct line to the great consuming centers, and the seaboard. Everywhere there is a lower rate on shipments over routes unnecessary and without advantage to the general public, than over routes necessary and indispensable to the public good.

According to the genius and spirit of American commercialism and organized labor, profits should be made by obstructing the interchange of commodities between producer and consumer, instead of by facilitating this exchange. Is a people, who will, without protest, continue to allow itself to be subjected to such monstrous impositions, worthy of liberty? Or do they not need some one to govern them and protect them? Royalty, in its palmiest days, never exacted greater or more unjust tribute from its subjects.

The above and other intolerable practices, common in the trade and transportation of this country, are making for Socialism and Bolshevism. Because of them, impoverishment of rural communities and farm abandonment were inevitable.

A rich soil; the adaptability of our lands to the use of machinery; the inventive genius of our people; all coupled with the superior intelligence of our farmers, as compared with the peasantry of any other country, will enable them to successfully compete with all, if artificial handicaps, now resting on American agriculture, be removed. The impetus given to agriculture would soon result in such a stimulus to business in general, that our railways would quickly find an abundance of freight to keep them busy. Five

cents a bushel reduction in freight, and the same added to the farmers' prices of grain, would, in twenty years, pay every mortgage on all the farms of the Corn Belt.

With less than half the necessary man-power to operate farms already in cultivation, the Federal development of irrigating systems in the West was premature. Had one-half the amount of money invested by the Department of Reclamation Service been expended upon the Missouri River, from Kansas City up, straightening that stream and fitting it for navigation, the land incidentally reclaimed thereby would have been quite as large in acreage, and more than 100 per cent. richer in fertility, than that reclaimed in the mountain districts by irrigation; the climatic conditions of the Missouri Valley make a greater diversity of crops possible; and besides that, the foodstuffs produced are from 500 to 1000 miles nearer to the Seaboard and our chief consuming centers, than the products from the irrigated lands are. This river and the Mississippi open to navigation, by reducing freight rates, would result in greater profit to our farmers, and at the same time lower prices to the consumer.

The undeveloped irrigable lands are a national asset, which will keep indefinitely. By erosion, soil elements — which it would require millions to replace — are annually being carried down the Mississippi and Missouri Rivers, and dumped into the Gulf of Mexico.

## CHAPTER XXII

PLANTING of winter wheat in Nebraska and Kansas, the two largest wheat-growing States in the Union — chiefly winter wheat — became popular, not so much because of its profits, as because it matures before the dreaded hot winds come, and was frequently an abundant crop, when spring wheat and other wheat substitutes were destroyed.

As a "safety-first" war measure, the sowing of winter wheat, especially, should have been stimulated to the limit. A hot wind next August may be a greater menace to our cause than the appearance of Hun submarines off our Atlantic Coast. But for price fixing, the temporarily abnormally high prices of wheat would, in my opinion, have so stimulated the growing of that cereal, that we would not only have had an abundant supply, both for export and home use, but that this extra supply would have resulted in prices no higher than are now being paid, especially by the consumer.

As an illustration of the effect of price-fixing, in a certain locality in Illinois, where wheat, especially winter wheat, for many years had been unprofitable, and hence practically abandoned, one farmer had an abundant harvest — thirty bushels per acre — of high grade wheat, then worth \$3 a bushel. He was ready to sell. This price and yield appealed to the farmers of that community; so many of them applied for seed,



that the farmer withheld nearly a carload of wheat for his neighbors, estimating that sufficient to sow 200 to 250 acres would be required. The price to be paid was the Chicago price on date of delivery, less freight and commission. Not long after that, the Government fixed the price of such wheat at \$2 per bushel, Chicago (about \$1.85 to \$1.90 per bushel to the farmer). When sowing time came, only two of all the farmers who had applied for seed called for it — those two taking  $14\frac{1}{2}$  bushels, just enough to sow  $9\frac{1}{2}$  acres, instead of 200 to 250 acres. The only reason offered for not sowing more wheat was that the price fixed was too low to justify sowing, and taking the hazard of crop loss or shortage. If the largest possible acreage is sown in the coming year in the strictly wheat-growing sections, it will not be sufficient to supply our Allies, our armies and home consumption. If this amount is secured, it must be by inducing a multitude of farmers, in localities where wheat has not been a profitable crop, to plant wheat.

According to recent press reports, we, in 1917, shipped to our Allies, 132,000,000 bushels of wheat. During the years 1914, 1915 and 1916, after deducting seven bushels per capita to feed their own inhabitants and re-seed their fields, Kansas and Nebraska alone had an annual average surplus of 175,613,192 bushels of wheat. With unrestricted prices, these two States can be safely counted upon for more than all that was sent to the Allies last year. According to reported yield for 1917 and estimated yield for 1918, under restricted prices, the surplus will be little, if any more, than one-half that amount.

Wheat is grown in every State from Maine to Texas. Had farmers not been discouraged by price restriction, in my opinion, the temporarily high price would have flooded the markets, and we would have now been eating good wheat flour, instead of substitutes, and at a lower price.

The great monopolies and other trade combinations in food stuffs, hurtful alike to the agricultural and consuming public, were built up on discriminating freight rates — discrimination between cities and towns, as well as between individual merchants and manufacturers.

These combinations are so strongly entrenched that there is exceedingly small hope that the iniquitous practices inaugurated by them can be eliminated or even appreciably checked, except by a reversal of these transportation methods which brought them into being. To this end, freight rates on foodstuffs, at least, should be established on an initial charge for loading and unloading, with high and graduated demurrage charges as a penalty for delay. To these initial or terminal charges should be added a fixed rate per mile. This would tend to minimizing mileage, eliminating that which was unnecessary, and thus tremendously reducing the expense for rolling stock, labor and fuel. It would reduce the hurtful and unnecessary congestion of men and material in our great cities, bettering the health — physical, moral and economic — of our people. It would build up a multitude of more prosperous, but smaller cities. There is no valid reason why we should not have hundreds of independent packing concerns, instead of one score, and practically, as is

now generally believed, under one control, with all the possibilities of profiteering and market manipulation. So long as these iniquitous practices are made easy, they will continue to increase. Milling and other industrial enterprises would spring up in these small cities, to the great advantage of producers, consumers and laborers; live stock would be slaughtered at the nearest packing town; and the grain shipped to the nearest mill; greatly reducing the cost of living to wage and salary earners, and giving them better surroundings; and at the same time increasing the farmers' profits.

It is absurd that cattle and hogs in Central Iowa must be shipped to Chicago or Kansas City for slaughtering; and wheat shipped to Minneapolis to be ground; and a large proportion of cured meats and flour shipped back again to the communities from which the wheat and live stock came.

Every unnecessary expense in the exchange of commodities must be deducted from the price received by producers, or added to the price paid by the consumers. Men who "labor for those things which make for righteousness" and physical health, should be interested in this. Great cities, from time immemorial, have been the plague spots of civilization.

Because the small manufacturers of New England found that on account of discriminating freight rates they must first ship their wares to the seaboard, and from there reship them to the consuming centers of the West, they moved these factories to cities on the coast. With their exit from the rural communities, New England agriculture began to wane, and farm

abandonment followed. Very low rates on through — not local — freight from the West still further helped to bring disaster to the New England farmer.

The exemption of farm laborers from the draft has not been as successful as was hoped it might be. From various causes, it often happens that the efficient are taken, and the inefficient left. Why should not the really efficient farm laborers in each cantonment be selected and placed in separate regiments — these to be subjected to intensive training from November 1st to March 1st; and on March 1st, each year, to be detailed for farm work under such restrictions as would result in the prompt recall of the labor slacker and his transfer to the Front?

This would secure for the farms efficient help during those months when skilled men are indispensable. On the other hand, the possibility of an attempted invasion makes at least one or more thoroughly disciplined army corps at home desirable. The intensive training and manual labor in the open would keep the men at all times fit and ready for active service at a moment's notice. Hence, such a system would be of maximum aid to agriculture, and of minimum, if any, detriment to our war machinery.

I have never seen so many able-bodied men on the highways of the rural districts, ostensibly seeking labor, but in reality trying to avoid it and to escape the draft, as during the present season. Farmers will not hire them. Not so much because of the extortionate wage demanded, as because they lack both inclination and ability to do effective farm work.

The learned discussions and formidable array of fig-

ures to show the cost of producing cereals on the average American farm are as obviously absurd as it would be to attempt to solve a mathematical problem without fixed, permanent factors.

Take wheat: No system or method has as yet been attempted, which, if carried out, would show with any degree of accuracy the exact total acreage; the total yield; the amount of home consumption; the amount fed or wasted on the farms and in transit, etc. All conclusions reached have been based upon estimates. In a multitude of these hypothetical problems examined, I fail to find one wherein the ratio of acreage sown to the acreage actually harvested has been taken into consideration — that is, any allowance made for the millions of acres every year winter killed, taken by the chinch bug and the Hessian fly, or destroyed by drought and flood, and deduction made for the tremendous loss in labor, seed and use of land resulting therefrom.

In my own experience, three out of eight years my wheat winter killed. One crop on account of soil puddling in the spring — something I never heard of before — failed to produce a single bushel of merchantable grain, and only a trifling amount of feed. Two years the yield was above normal — two below. The net results being that the total amount received for wheat sold was less than the total amount paid for seed and labor, leaving me nothing for eight years' use of the land or interest on money invested.

During the last few months, the papers have been full of comments (mostly unfavorable) concerning the



Non-Partisan League — that most effective combination of American farmers ever organized. It took possession of North Dakota a year or two ago, and but for the war would now hold the balance of political power in most, if not all, the Corn Belt and Pacific Coast States.

I am not qualified to discuss the merits or demerits of this organization. With them, as with every man and organization, the same test of loyalty should be applied: "Are they for us or against us?" . . . "Are they helping or hindering our war activities?" If the latter, it should be suppressed.

One thing, however, seldom, if ever, mentioned in the press should burn itself into the consciousness of every thinking American citizen. That question is this: "What was the cause of this widespread discontent, that such an organization is possible? That upon their bald promise of bettering marketing conditions, without tangible evidence that they could make such promise good, a small group of men were able to induce enough farmers of that little State, North Dakota, to contribute \$16 per capita, until these enthusiastic and self-appointed agricultural reformers, or agrarian revolutionists, had more than a million in cash at their disposal to carry on their propaganda?"

Discontent, widespread and bitter, because of marketing conditions, is the only way to account for this movement. To silence discontent, without removing its cause, makes that discontent doubly dangerous. Discontent is the only soil in which the seeds of revolution and anarchy grow. Restricting prices of the



farmers' products, while leaving prices of the planters' products unrestricted; restricting the wage — earnings — of the farmer, while advancing and multiplying the wage of organized labor, is not tending to eliminate this already alarming discontent.

## CHAPTER XXIII

PROFESSOR LIEBIG said, "Agriculture is, of all industrial pursuits, the richest in facts and the poorest in their comprehension." This is true to-day, and because of these misapprehensions on the part of law-givers and the public, the last two decades, instead of being years of universal prosperity to the whole American people, have been years in which farm mortgage indebtedness and millionaires have multiplied; and especially in agricultural districts, the tendency towards "industrious poverty"—the most sickening spectacle in economic life—has increased. Hence, it may not be out of place to mention some of these misapprehensions.

One: That a land boom or radical increase in the selling price of land is attributable to the increased profits in farm operations. On the contrary, the land boom was entirely attributable to other causes, the three chiefest among them being: First: The increased output of gold—reducing the purchasing value of the dollar—making apparent profits where none existed. Second: The reflect effect of "Frenzied Finance" which drove thousands of investors from railway and industrial securities into the farm mortgage market—resulting in such a plethora of money that it was persistently urged upon farmers at lower rates of interest, and upon more favorable terms

and conditions. Third: Last, but not least, that many farmers, despairing of profits in food production, ceased to be producers, and became speculators in land.

Another great misapprehension is that since 1893 the profits in farming operations have been tremendously increased, and have been vastly greater than during any previous period. Table No. 10 shows the average market price of five leading commodities, upon which the farmers' profits are chiefly based, and are an accurate index of all others. That is, if the price of any of these be depressed, it results in an increased production of all others as a general price leveling.

TABLE No. 10  
ANNUAL AVERAGE PRICE—FARM PRODUCTS

Years	Wheat	Corn	Oats	Mess Pork	Lard
1873 to 1893 .....	96.76	47.36	32.55	14.87	8.42
1893 to 1916 .....	88.32	50.04	34.4	14.63	8.249
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-8.44	+2.68	+1.95	-.24	-.18

For example: It will be seen that wheat, the leading farm product, brought 8.44 cents per bushel more during the period between 1873 and 1893, than it did during the period from 1893 to 1916; the decline in the wheat price being nearly double the advance in both corn and oats. A change in the price of hog "Products" was slight, but lower during the latter period. The price of labor, however, not only on the farm, but labor in everything the farmer has to buy, has so continuously advanced, that in 1915 the wage of the farm hand was more than double what it was in 1892. Eighty-five per cent. of all the farmer buys

is labor in some form. The value of the raw material is an exceedingly small part of the price paid. He who can discover how he can increase profits by paying more for what he buys, and receiving less for what he sells, will put himself in the class of Edison and Wright.

Again, there is a general impression that vast improvements have been made in farm machinery and farm implements in the last twenty years. Nothing can be more erroneous. Since 1826, when that English clergyman put the first reaper into a field of grain, scarcely more than a dozen implements in general use and thought indispensable for the average farm, have been invented. Chiefest among these are the mower, the hay tedder, hay loader, horse rake, horse fork for unloading hay, the reaper and binder, applying to both corn and small grain, the check-row corn planter, the disc harrow, the manure spreader, the corn sheller, etc., all of which were in general use long prior to 1893, many of them for forty years. Since the Farm Implement business became monopolized, improvements in them, if any, have been chiefly to aid sales — not to add to their utility. The gasoline or oil motor has not yet become an appreciable factor in agriculture, and its practical utility on the average farm has not been fully demonstrated. On a drive of over six hundred miles last Fall, studying crop conditions in the best sections of Illinois and Iowa, I saw only four tractors at work on nearly 2,400 farms, under observation, and this too at a time when Fall plowing and Fall seeding should have been in full swing.

That the lack of the farmers' credit has interfered

with agriculture is another misapprehension. In one thing, and that is credit, the farmer has for forty years been on a parity with those engaged in other industries. There is no section, in the Corn Belt, at least, where the farmer has not during those years been able to borrow money at lower rates of interest and on better terms and conditions than the country merchant, small manufacturer, the professional man in his locality, or the city man borrowing a similar amount. One owning a first class or average home in Chicago or Omaha, and also owning a first-class or average farm in Illinois or Nebraska, could borrow money at lower rates of interest on his farm than on his home, and will find that lenders much prefer to loan to the owner and occupant of the farm adjoining his, than to him.

Another erroneous belief is that by crop rotation and live stock raising, the soil may be kept up to its virgin fertility. That is utterly impossible, and is contradicted by every scientific experiment made in ninety years. Even to the novice in chemistry, that is obvious, as potash, phosphorus and nitrogen, the chief soil elements, are the essential, invaluable elements in all food stuffs, and they are taken from the soil with every pound of meat or grain sold. By what alchemy shall we recover these, and by what legerdemain put them back into the fields? Many believe that by pasturing alone, the soil is rejuvenated and brought back to its pristine fertility. They fail to realize that the animal returns nothing to the soil except that which he has first taken from the soil, and only a part of that, as every drop of blood, every ounce of flesh

or bone contains a portion of these precious soil elements — called precious, simply because they are indispensable elements in blood, bone and tissue building. Nearly, if not all, plants that have the ability to draw nitrogen from the air are unsuited and dangerous as grazing for all meat animals except the hog, as they cause bloat. The other animals, while they may graze on clover, alfalfa, etc., for a time, under certain conditions of moisture and temperature, a single day, or even a few hours, are sufficient to exterminate a healthy, vigorous herd.

Experience in this country has been that after thirty-five to forty years' use, crop rotation and stock feeding, it has not been possible to keep land up to more than 50 per cent. of its virgin fertility; and to do that, it is necessary to use vastly more manure than is made upon the farm itself. The use of other fertilizers on market is an expensive proposition, and is discussed elsewhere. The most successful farmers in the Corn Belt, during the last thirty years, have been those who fed no meat animals, but instead sold their grain on the market.

One of the most groundless, widespread and hurtful misapprehensions is in regard to the prosperity of the American farmer. The public in general has been led to believe that since 1896 the farmers' prosperity has been unusually great and uninterrupted; that farm mortgage indebtedness has been so rapidly decreased, that it has almost reached the vanishing point; that scientific principles and practices have been applied to agriculture as never before in the history of this, or any other, country. Were these things true, many of



the most perplexing economic questions would never have been raised, and in case they had, would have speedily furnished their own answer, but as I have shown, these things are not true; that on the contrary, the farm mortgage indebtedness has not only during all these years been increasing at an enormous rate, without anything like an adequate increase in the farmers' assets, but at the same time there has been an almost constant decrease in the number of men on the farms to meet this indebtedness; that the increased acreage yield of cereals, if any at all, is more than accounted for by the abandonment of worn-out lands and the bringing of new lands into cultivation. Though only between one and two bushels less than the average, the winter wheat yield for 1916 was the lowest in twenty-five years or more, 12.2 bushels per acre.

I have suggested that the large number of people speculating in farm lands has a great deal to do with the matter, especially in the suppressing of unfavorable facts. Two recent news items suggest a source of this misinformation, if not mal-information, which, in my opinion, exceeds all others. Two editors were aspiring for the same high office. One accused the other of publishing as news items speciously written articles, prepared by large commercial interests and intended to mislead and divert attention from their enormous profits. From the controversy between these two, it would seem that that sort of perversion of the news columns for profit was not unusual, but on the contrary quite common. The other was in an article written by Mr. Frank Stockbridge, entitled "Edward A. Rumely, Man Who Bought the *New York Mail*

for the Kaiser." In this, Mr. Stockbridge quotes himself as saying to Mr. Rumely: "I don't care what you put on the editorial page — that influences nobody." . . . "The place where poison works is in the news."

As one illustration of how this works in matters pertaining to agriculture, I would say that the tremendous number of land sales, during recent years, has had this effect upon the farm mortgage business: viz., that perhaps 40 per cent. of all the business done throughout the year is transacted during February and March; that is, in the nature of things, to avoid interference with farm operations, possession of land is almost invariably taken on the first day of March. Hence, practically all sales of farm lands, made throughout the year, provide for closing on the first day of March, and a very large proportion of all mortgages are made payable on that date. To avoid loss of interest, or payment of double interest, the money, both on account of land purchased and for taking up old mortgages, must be paid on the first day of March. Hence, to prepare for this, the mortgages are made — many of them, several months before; but practically all of them executed and filed for record prior to the first day of March, with the provision that they begin to draw interest on that date. The inevitable result is that in nearly all of this vast volume of business, the mortgages are recorded prior to the first day of March, and the releases, or satisfaction of the old mortgages, are filed after that date. With the result, that there is in each March a tremendous amount of mortgages released, and comparatively a very few mortgages

filed. I have observed that statements of the amounts of mortgages filed and released in the month of March in various counties find their way, not only into the local papers, but into the press dispatches and the patent inside of small papers. From these items, the lay reader would assume that that community must be rapidly wiping out its farm mortgage indebtedness; while had the corresponding items for February been published, he would assume that the same community was tremendously and hopelessly in debt.

Local pride might account for the appearance of these misleading items in the rural press, but it would hardly account for their appearance in press dispatches and elsewhere throughout the country, unaccompanied by any figures or statements indicating that these were unusual, or figures to show the total or relative amounts of mortgages made and released throughout the year. A better understanding between the consuming and producing classes would be helpful to both, and a tremendous factor in the prevention of profiteering.

Another serious misapprehension, one under which perhaps the majority of the American people labor, is that the small farm and intensive farming, if not one and the same thing, are inseparable. Nothing is further from the truth. The large number of experiments made by the Federal Department of Agriculture, Agricultural Universities and others, show that small farming tends neither to better conditions of the farm, larger profits to the farmer, improved living conditions, increased yield, nor better quality of products. That these things must be true is obvious. The

farm is a factory wherein the soil elements are converted into food stuffs. Hence, the same principles and methods which have enabled American manufacturers to excel all others must be recognized and applied.

One of the first is the combination and division of labor, resulting in greater efficiency and output, and at the same time minimizing equipment and investment, and making a greater diversity of crops possible. In this, as in all other business enterprises, only a small percentage of men are found endowed with initiative — the ability to direct one's own efforts to his own greatest good — hence, it transpires, that four men, one capable of directing the efforts of all on 320 acres of land, will produce larger and better crops and market same with less expenditure of time and labor, than will five men on 400 acres, independently working 80 acres each. To make my meaning more clear: The operative in a New England shoe factory is now working shorter hours for larger pay under better conditions, and is in every material way better off than was his grandfather — the independent cobbler. Why? Chiefly, if not solely, because a higher degree of intelligence, or an especially qualified intelligence, directs his efforts. And why does this higher intelligence direct the efforts of his workmen? Simply because it pays, and until the farm is placed on the same basis as other factories, the American farms and farmers will continue toward a constantly lowering level.

Great landed estates, such as exist abroad, would be both undesirable and undemocratic, as other vast ac-

cumulations of wealth are, and for the same reason: viz.—because of the centralization of power. However, British landlordism has never been so oppressive to the tenants as trade combinations are to the American farmer. It never forced the tenant to take \$3.76 per hundred weight less for his hogs than it cost him to produce them. (See Table No. 1.)

On the other hand, if ownership of land in this country is to be restricted, it will be unfortunate — if the maximum to be held by one individual shall be made less than can be economically operated. Bulletin No. 41, United States Department of Agriculture, already referred to, shows — and observation and experience confirms — that the renter's profit on money invested is twelve times that of the farm owner. Hence, to advise or encourage the man of small means to at once buy a farm would be both unkind and uneconomic. Yet this theory was a stock argument in the Federal Land Bank campaign, and is adding materially in continuing the land boom.

In addition to the experience, observation and theories in our own country, the history and experience of others and older countries tend to prove that small farming, a decline in agriculture and impoverishment and degradation of the farmer, go together. In India the farms vary in size from two to twenty acres — the average said to be less than ten — and though nearly 95 per cent. of the population is engaged in agriculture, scarce a decade passes without famine in some part of the realm. In 1770, during nine months, 10,000,000 died of starvation in one province. The



famines of 1877 to 1878, and those from 1897 to 1900 were severe.

Another misapprehension is that our retired farmers left the farms because they wished more fully to enjoy their accumulated wealth. Not so, but because the intelligent boy and girl will not continue unremunerative labor on the farm, while lucrative vocations are open to them, and laborers cannot be hired to take their places. These children have been told of luxury that they might enjoy "after the mortgage is lifted." But instead of being paid, they have seen the mortgage increase from year to year, and the hope of better things on the farm has died within them — they have gone to the cities — the cities and the sea are the only places left. "The boundless plains and the mountain places" are occupied.

The condition of the retired farmer is best illustrated by the remarks of a merchant in a Southern California town, where a large number of retired farmers had settled: viz.—"These retired farmers are no benefit to a town. One motorman on an interurban trolley buys more groceries than three or four of them. At first, I thought them a stingy lot of misers, but since becoming a director in the bank down street, I have watched their accounts, and when I see their meager incomes coming in in dribblets from month to month, and observe that a large proportion of them about the first of March each year buys a good-sized draft, payable to some Eastern loan concern, to meet interest due on his farm mortgage, I changed my mind, and I can now understand why they are saving. Why



they are always ready to do odd jobs about the store; rake my yard, mow my lawn, and bring a few fresh eggs and a little milk to my house before breakfast every morning."

Another gross misapprehension being made, more far reaching and injurious in its effects, by the so-called "Farm Labor Agencies," is this: That it is only at harvest time that there is a serious shortage of farm labor. Nothing could be further wrong.

Except in a few restricted localities, where wheat is grown to the exclusion of other crops — these should not exist, as they result in financial vicissitude for the community, greater market fluctuation and soil impoverishment, than mixed farming — I say, that except in these very limited sections, the farm having adequate labor during the rest of the year needs no additional help at harvest time. This is obvious to any one at all versed in practical farming and familiar with the history of the development and improvement of farm machinery.

Forty years ago, with the best implements then in use, a harvesting crew required from eight to ten men as follows:

One man to drive the reaper.

One man to rake off, leaving the grain in gavels — loose bunches — to be raked together and bound into bundles by hand.

It required four extra good — usually five — men to bind the grain as fast as cut.

It required one man to carry the bundles together, and still another to put them into shock; thus necessi-

tating eight or nine men, and for these, ten acres was considered a good day's work.

To-day only one man is needed to drive and operate the harvester. This machine not only reaps the grain, binds it into bundles, but leaves the bundles in piles, so that there is only one man needed to set them into shock. For these two men, twelve to fourteen acres is considered a fair day's work, so that these two men to-day are doing more and better work in the harvest field, than nine could possibly do with the implements in use forty years ago.

In no other department of farm work has labor-saving implements reduced the man-power to one-half the extent as in the harvesting of small grain.

The appalling fact is that because of the lack of labor from the first day of seeding time to the ripening of the harvest, the grain yield has been reduced to less than 50 per cent. of what it could and would have been, with an adequate supply of efficient farm labor.

As the laggard in the race makes as strenuous an effort to pass the pole and avoid being "distanced" as the leader does to get under the wire and win, so, frantic with fear lest the little he has be lost, the farmer cries out for help at the harvest time. This appeal is pitiful. It is the cry of "that spent runner who almost won the race."

Of all erroneous notions concerning agriculture, there is none more widespread and generally accepted than the idea that brute strength and animal instinct are all that are necessary in a farm laborer; that neither experience nor intelligence is required.

Sixty years ago, when grain was cut with a cradle, bound by hand and threshed with a flail; when hay was cut with a scythe, and handled in a similar manner; there might have been a semblance of truth in such a conclusion. But with the present-day methods and modern machinery, nothing is more misleading and mischievous. In no other industry is the laborer so independent — so much alone, and so compelled to rely on his own resources. It is impracticable to have, as in other industries, some one over him to guide, direct and stimulate his efforts. So, therefore, ignorance and indifference are fatal defects; hence, the absurdity of most of this just now popular propaganda of mobilizing town and city boys and girls for farm work. In a few special lines like truck farming, fruit growing, etc., where they work in groups under an overseer to direct and encourage, they may render effective service, but in the fields where cereals, etc., are produced, from which our milk, butter, bread and meat come, they will be more of a hindrance than a help. To avoid loss in production of our cereals, implements and machinery must be utilized to the greatest possible extent. For these novices to attempt to handle this complex machinery, under unfavorable conditions in the field, is dangerous for the operator and invites disaster to the machinery. In the care of livestock, they are still less qualified.

To assume that a few hours', days', or even weeks', tutoring by theoretical farmers, salesmen for implement houses, etc., make these young people proficient, is too absurd to be considered. This movement is a sample of the "camouflage" that politicians are con-

tinually placing before the farmers. These "would-be statesmen" fail to realize that the masses, like children, are less wanting in comprehension than in expression, and because few protests are heard, assume that their nostrums for agricultural ills are taken with relish; but instead they are engendering discontent in our best farming communities. This discontent was in a degree reflected in the political land-slides during the last three years, not only in North Dakota, but in such States as Iowa, Nebraska and Kansas.

A good farm hand must be "To the manor born," or educated by long experience. He must be wise as to the needs and wants of plant and animal life; must have learned that constant, painstaking care is necessary to secure success. To illustrate: Not long since I chanced upon one of these inefficient cultivators of corn—one of the simplest operations on the farm. He seemed to be doing his best, but by actual count was tearing out and covering up more than one hill in every ten, so that in going once over the field (this should be done four times), he was destroying one-tenth of the corn. As this in no way reduces the capital invested, cost of seed, labor, etc., this ten per cent. must be deducted entirely from the farmer's profits. As these seldom amount to ten per cent., that man's labor was a net loss to his employer.

I am not assuming that these youngsters could not, if they would, in time become efficient farm help, but they go to the farm with no such purpose—instead they are moved by patriotic impulse to render temporary service to our country in the time of need. To return for even another short season, or to make agri-

culture a permanent vocation, is not in their thoughts. At first the novelty of the situation appeals to them, but as the sweat trickles down the face, enthusiasm soon oozes out at the finger-tips, and one soon hears them discanting upon the advantages and beauties of life in town — shorter hours; larger pay; “the bright lights that out-shine the stars”; etc. Such influences on the rural youth serve no good purpose, but instead make for discontent.

Any aid or stimulus to food production that does not make for permanent agriculture is of little worth. Only by the assurance of continuing profits can American Agriculture be rehabilitated. To do this, there must be a radical change and readjustment of labor and marketing conditions. First of all, an adequate supply of laborers who are willing to remain upon the farm. These will be wanting so long as present conditions obtain.

In this connection, I would say that thus far the fixing of prices of farm products in a few central markets has failed of its ostensible purpose; viz., to secure to the producer fair and remunerative returns for his capital and labor, and at the same time reasonable prices of food stuffs to consumers. It puts little or no restraint upon the profiteers. Every price fixed by the Government should be at the farmer's nearest station having elevator facilities. In no other way can he be protected from the profiteers.

To illustrate: There recently came under my observation a farmer who was hauling his wheat to a station five miles farther from the central market and less accessible to his farm, in order to secure a rea-



sonable price; that is, at the first station they would offer him only \$1.90 per bushel, while at the second station, with no better facilities for handling, he received \$2.10 per bushel. There was no milling done at either station — no valid reason for a difference in price. So long as such iniquities are possible they will be practiced. If the Government restricts the price of commodities it should insure to the producer his just share of that price. Our farmers will not object to price restriction so long as they feel that any lack of profit to them results entirely to the benefit of our National cause, but the conviction that thus far the profit of price restriction on farm products has accrued chiefly to profiteers in food stuffs — meat, flour, etc.,— (see recent reports of Federal Trade Commission) it is engendering bitter and justifiable resentment. Besides this, and especially as the railways are now operated by the Government, the Food Administration is in a position to practice great economy in transit. To illustrate: Why should not every carload of wheat be billed direct to the nearest mill in need of it? Or if not immediately required by the mills, direct to the seaboard for exporting, thus avoiding all unnecessary switching; inspection; elevator charges and commission (these were, I am advised, paid at the central markets even during those months when the grain could go only to the Food Administration) as well as high local rates all charged to the farmers?



## CHAPTER XXIV

THE farms of this country are more heavily mortgaged than ever before. In many of our best agricultural States, the majority of the men on them are tenants or hired men, with little or no capital, less education and few aspirations. Many of them foreigners, having no conception of our free institutions. This situation is full of pathos and fraught with dangers — not simply because farms are mortgaged, but because those mortgages have, during fruitful years, increased more rapidly than ever before, in which millions have multiplied in the hands of those who traffic in food stuffs which the farms produced. Nor is it because some men are tenants and others labor for a wage, but because most of these men labor with little hope of ever acquiring a competency or a home of their own. This accumulation of propertyless people on our farms is a new situation — a new phase in the economic life of the Nation. How long will this class of people, if they continue in hopeless toil, turn a deaf ear to the Socialists and the Bolsheviki, who expatiate on their wrongs, and suggest a division of all property and the leveling of all classes?

Under existing war conditions, agriculture has ceased to be an academic question to be dreamed over by school masters and philanthropists, and to be eulogized by politicians and profiteers; but has become a

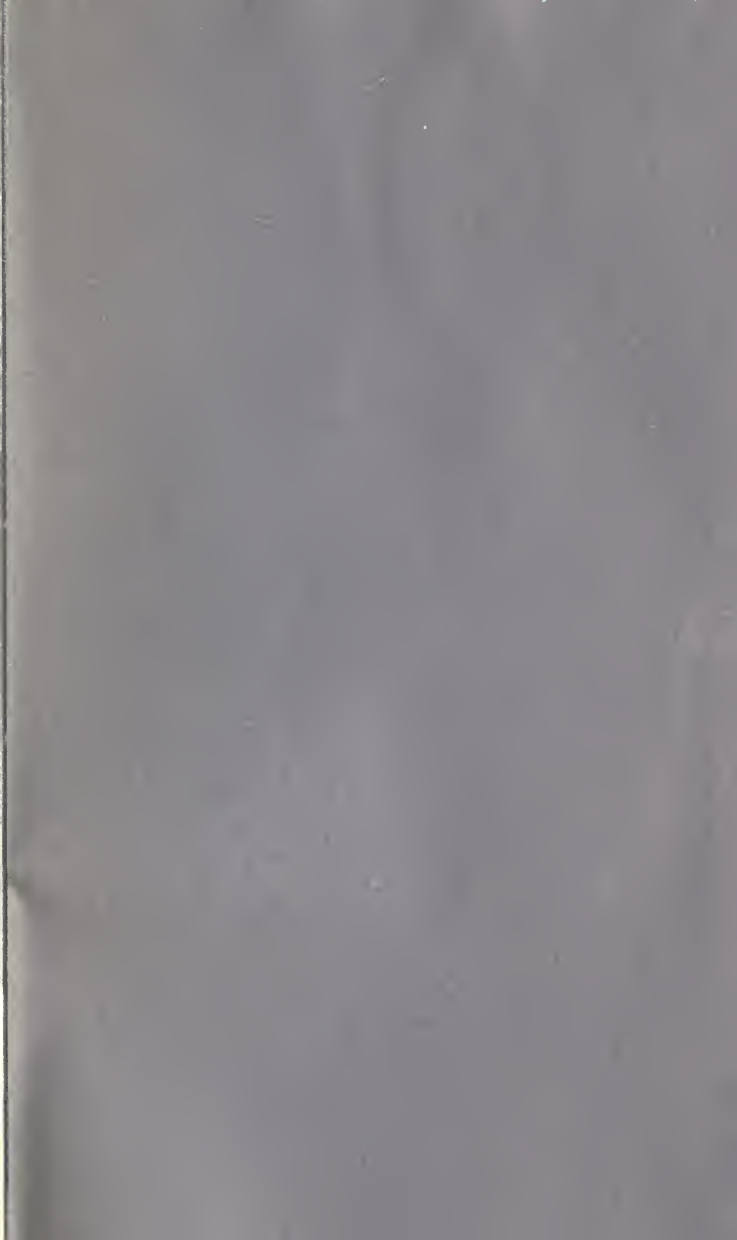
vital and economic one. It should engage the serious consideration of every patriotic, thinking citizen. The fate of our Nation may depend upon its early solution. We think of Nihilism, Anarchy and Bolshevism as the fruits of autocratic despotism, but had commercial despotism not united with monarchial despotism in impoverishing the Russian peasantry, Bolshevism would have found neither place nor influence in International affairs, nor Russia be a national wreck to-day. Should not Americans shun as a contagion every tendency toward impoverishing our rural population?

THE END











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